



Association of  
Employment and Learning  
Providers

## **AELP Submission: #58**

**AELP response to Government  
Consultation on provider  
Funding for the Delivery of T  
Levels – Feb 2019**

# PROVIDER FUNDING FOR THE DELIVERY OF T LEVELS

## Introduction

This document is AELP's response to the government consultation "Provider funding for the delivery of T Levels", which was published in November 2017 with a required response date of 19<sup>th</sup> February 2019. The consultation document itself is available at [https://consult.education.gov.uk/fe-funding/t-level-funding-methodology/supporting\\_documents/T%20Levels%20funding%20consultation.pdf](https://consult.education.gov.uk/fe-funding/t-level-funding-methodology/supporting_documents/T%20Levels%20funding%20consultation.pdf)

### **Q1: Do you agree with the proposals for funding bands and hours set out in the consultation?**

YES

The proposals are not substantively different from the current funding arrangement for 16-18 year olds under Study Programmes etc and therefore have the advantage of familiarity and accommodation in existing administration systems. In that respect AELP supports the proposals.

We note however that there is no detail being given on when or how these bands will be reviewed. It is clear that even by the time of the first teaching of T Levels in 2020 there will have been a depreciation in value of the rates stated so it is important to know what the process will be for a review of rates in line with actual costs of delivery.

We would also comment that the fact that there is no difference in the rate for 18 year old learners highlights the unfairness of the system under Study Programmes where such learners attract a discounted rate. The logic used to justify the different approach being used for T Levels is fuzzy at best as there is no reason why 18 year olds should need less hours to complete Study Programmes than they would need to complete T Levels or indeed any other form of qualification, as opposed to 16 and 17 year olds. Indeed, as we note elsewhere in this response, this approach to T Level funding reinforces the policy movement away from funding the learner to funding the qualification, something that goes against every previous policy implementation in this area in recent years.

### **Q2: Do you agree with the approach to allocating T levels to funding bands, subject to further checking against the emerging content for each T level?**

YES

We agree with the overall approach described in the consultation. However, as with apprenticeship standard banding reviews, we are concerned at the opaqueness of the decision-making process in terms of how decisions to allocate qualifications to bands are made. The DfE and IfA must significantly improve this aspect of their work.

### **Q3: Do you agree with the proposed method for allocating funding for industry placements for students on T levels**

QUALIFIED YES

Whilst we agree with the approach as described in principle, we would question why industry placement funding is being treated exclusive of disadvantage funding or area cost criteria. Given the essential nature of industry placements to the success of the T Level programme it is absolutely vital that they attract sufficient funding in all cases to make them viable and accessible. Particularly in rural areas this will become a serious issue. Using a flat rate for all industry placements irrespective of location appears not only counter-productive but may potentially pose a serious risk to the success of the whole programme.

**Q4: Do you agree with the criteria set out in Annex A for the completion of an industry placement as part of a T level?**

YES

These appear reasonable and relatable to the content of a placement.

**Q5: Do you agree with the approach for funding Level 2 maths and English for those students who have not yet met the minimum exit requirement?**

YES

We agree with this approach. We are particularly interested to note the change to the exemption to condition of funding rules that no longer requires T Level students to resit GCSE maths/English if they hold Grade 3 (D grade equivalent) but will allow them to follow Functional Skills at Level 2 instead. We are totally in support of this move and would urge that it be extended to ALL learners on ANY form of further study as it is clear from the lamentable success rates being achieved that the current resit policy is failing.

**Q6: Do you agree with the above proposals for ensuring that the extra funding for T levels programmes is made available in the year it is needed, before reverting to the usual lagged method of funding?**

YES

An inherent problem with the lagged funding methodology is that it does not respond to growth trends in a timely fashion, raising risk levels for providers because it requires the funding of delivery and infrastructure from reserves without a guarantee of income to cover the outlay. We would therefore urge that in-year funding arrangements be kept for an extended period to cover the full rollout of T levels, allowing them to reach a steady-state level of enrolment before transition to lagged funding is contemplated.

**Q7: Do you agree with the above proposals for applying retention arrangements for T level programmes?**

YES

If a Study Programme learner transfers to a different course of study, they are counted as retained. We assume therefore that the same principle will apply to T level learners that transfer to different courses of study.

**Q8: Do you agree with the proposed approach for applying PCWs to T levels programmes?**

YES

Our earlier reservation regarding the need for transparency in the process of allocating cost weightings also applies here. Whilst details of this are promised in Summer 2019 but we trust that the sector will be kept informed of developments and thinking as it emerges.

**Q9: Do you agree with the proposals for incorporating Level 2 maths and/or English funding into the funding formula?**

YES

The proposals appear reasonable and appropriate.

**Q10: Do you agree that disadvantage block 1 funding should be provided for T level students on this basis?**

QUALIFIED YES

We agree that the policy on block 1 funding as it currently stands should be applied equally to T levels as it is to all other programmes of study. However, this is in the context that we have reservations that the policy itself is nonetheless fundamentally flawed and requires amendment.

**Q11: Do you agree that extra disadvantage block 2 funding should be provided for T level students on this basis?**

YES

The proposals appear reasonable and appropriate.

**Q12: Do you agree that the advanced maths premium and the large programme uplift should apply for T level students on this basis?**

YES

The LPU arrangements appear reasonable and appropriate.

**Q13: Do you agree that the extra funding that will be provided for the new and larger T level programmes should be uplifted by area cost allowances as described above?**

YES

Whilst we agree with this proposal, as noted earlier we believe that industry placements should also attract area cost allowance uplifts.

**Q14: Do you agree with the proposals for ensuring there is a way that provision can respond to the skills needs of particular local areas?**

YES

Any new provision that is commissioned or “invited” by the ESFA or others should be assured of a reasonable period of in-year funding (perhaps 5 years?) to ensure that costs of establishment are covered and that growth in starts can be properly accommodated.

The ESFA will need to be on top of local requirements in order to properly respond quickly and effectively to local skills gaps. They must therefore ensure that their own processes are adequate to rise to this challenge.

**Q15: How could any adverse impact be reduced and are there any ways we could better advance equality of opportunity or foster good relations between people who share a protected characteristic and those who do not?**

Access to industry placements is central to the success or otherwise of this programme, and whilst the proposals as they stand appear (on the whole) reasonable and appropriate, it is very important that learners with SEND/LLDD challenges are able to fully participate. Bursary funding may be available to cover any additional costs associated with arranging placements for such learners but the system as it stands is not necessarily totally fit for purpose in that respect. The fullest consideration should be given to ensuring that additional industry placement costs for SEND/LLDD learners can be covered to enable their participation.

We understand that specialist provision will attract a set rate rather than be subject to formula funding. It will be very important to ensure that these rates are reviewed regularly to ensure that costs are covered and that this delivery infrastructure can remain in place and viable.

Concerns have been expressed amongst our members at how local authorities will react when they see the enhanced level of funding that T level attracts, and how/whether this may impact on their decisions to grant Element 3 top-up funding. We would recommend engagement with the Local Government Association and local authorities to ensure that the increased nominal rate of funding for a T level qualification does not adversely affect levels of Element 3 funding.

**Other comments**

The consultation does not cover capital funding, and we were very disappointed to read the guidance on the Buildings and Facilities Improvement Grant (BFIG) stating that independent providers are ineligible to bid. Given that the intent of T levels is to contribute to a radical reshaping of the technical education system in the UK, it is difficult to square this objective with a policy that so explicitly funds the status quo and actively prevents any new forms of learning or delivery from being developed. It was already noticeable that only 3 of the first wave of T level providers are

independent providers which in our view does not give enough scope for alternative models of delivery and approach to be explored.

We would draw attention to the findings of the industry placement pilots that indicate a degree of flexibility is required to ensure both that providers can deliver viably, that the learning sits comfortably with normal business cycles, and that choice and participation for learners is maximised. With this in mind, overall design of the T level proposals should be mindful of the possibilities that might be opened up by providers willing to model their delivery on either a roll-on roll-off basis, or on the basis of a number of fixed entry points over the course of a year. Such arrangements are likely to enhance employer engagement and help to build and maintain learner numbers, and additionally are most likely to be modelled and delivered by independent and/or apprenticeship providers.

However, design is modelled exclusively on a fixed academic year basis which does not, in our view, amount to the radical overhaul of the technical education system that is being promoted. Compounding this limitation, independents are now being actively hampered in their plans for delivery by a decision to prevent access to capital funding that Colleges have been allowed. We object to this decision very strongly.

**11<sup>th</sup> February 2019**

### **About AELP**

Members of the Association of Employment and Learning Providers (AELP) support employers in the delivery of over 75% of apprenticeships in England and they deliver other publicly funded skills and employment programmes. The majority of AELP's 900+ members are independent private, not-for-profit and voluntary sector training and employment services organisations with employers, universities, FE colleges, schools and end-point assessment organisations joining AELP in increasing numbers.



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