

## Summary of funding rules changes 15/16 and Implications for Leeds

Revised SFA funding rules for Academic year 2015-16 were published in March 2015. Changes and new rules involve three topics: **Principles of Funding**, **Sub-contracting** and **Principles of Evidence**.

### Community Learning and Adult Skills Budget Details

**Principles of Funding:** There are some minor changes to Community Learning rules that will require the Leeds Community Learning Strategy 2013-16 to be reviewed to reflect changes to the CL rules around having a financial strategy, adding value and cost-cutting. There are significant changes to Adult Skills Budget funding rules. Due to the tiny ASB funding allocation to Leeds (£16k), the ASB rules changes only affect one provider. Also delivery of the Family English and Maths and Language FEML programme can now be funded from eligible ASB accredited courses or CL funding. Leeds should consider retaining some ASB funding to fund some of the internal FEML activity.

**Sub-Contracting:** The Council, as a public body, is already compliant with many of the sub-contracting changes that strengthen governance, procurement and management of sub-contractors. SFA strengthened their right to move subcontractors into a direct contractual relationship. Leeds must review contingency plans for learners in the event a sub-contracted provider is unable to continue delivery for whatever reason. Service Business Continuity plans needs updating.

**Principles of Evidence:** There is a new requirement across all funding streams to introduce a process to check we are not inadvertently funding extremist organisations, although there is no definition of the term “extremist organisation”. Also we need to introduce two new processes one to check total SFA funding each provider receives and a second process to check all providers with a total SFA funding over £100k are on the Register of Training Organisations.

### Apprenticeships Details

The changes are minimal (there is as yet no clarity on the major changes to funding floated by Government in 2014), and amount to a clarification that new rules on Early Years Educator Training to reflect policy changes applies to the advanced-level apprenticeship in Children and Young People’s Workforce, Pathway 1: Early Years Educator.

Changes to the Apprenticeship Grant for Employers of 16 to 24-year-olds (AGE) have already been reported to SLT.