

# Funding & Policy Update Webinar

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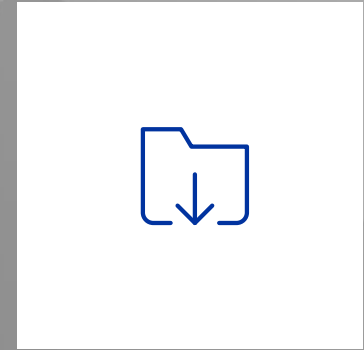
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# Agenda

- 1 Autumn Budget
- 2 Get Britain Working
- 3 Adult Skills
- 4 16-19
- 5 Apprenticeships
- 6 Questions & Next Steps



# Autumn Budget

# Direct FE Funding



£300 million to be sent to the Department for Education for FE

£40 million to transform the apprenticeship levy into the growth and skills levy

£1.4 billion assigned to the school building programme, including sixth form colleges

£950 million in skills capital funding



# MCA Integrated Settlements



MCAs with an integrated settlement will gain a single pot of funding, instead of multiple different grants

The integrated settlement will come with a multi-year agreement to allow for forward planning

MCAs with future integrated settlements:

- From April 2025 – Manchester & West Midlands
- From April 2026 – North East, Liverpool, South Yorkshire, West Yorkshire and potentially London

New devolution white paper to be released



# Lifelong Loan Entitlement (LLE) Pushed Back

LLE is to begin in January 2027

LLE's original aims were to:

- Support learners to undertake modular provision
- Increase parity of esteem between academic and technical provision
- Increase enrolments on level 4-5 provision

Whether the LLE can achieve these aims has been controversial



# The Nations Funding

3.4 Billion extra funding in Scotland

1.7 billion extra funding in Wales

1.5 billion extra funding for Northern Ireland





# The Industrial Strategy

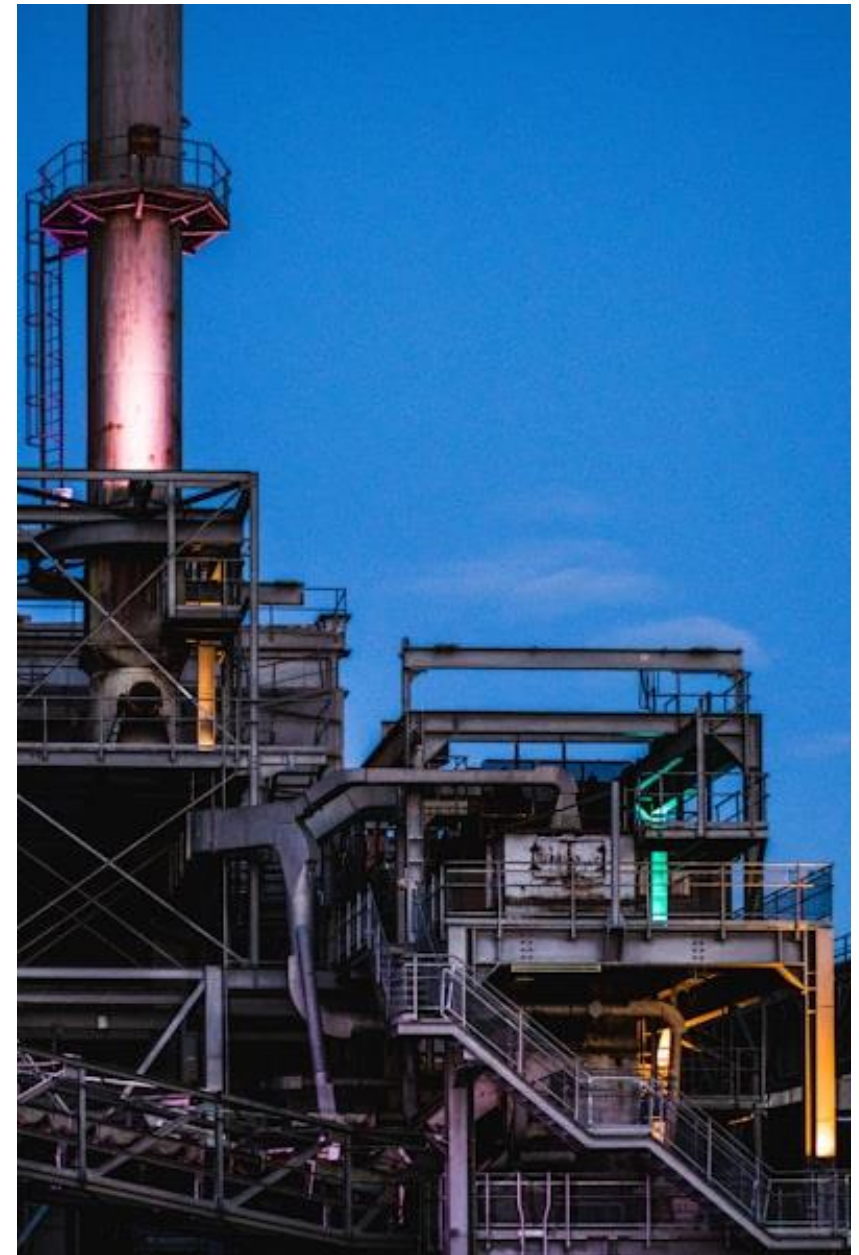
Focuses on key sectors, including:

- Advanced manufacturing
- Creative industries
- Clean energy industries
- Defence
- Digital & technology
- Financial services
- Life sciences
- Professional & business services

Introduction of industrial strategy advisory council

Confirms long term funding, including

- £975 million for aerospace over 5 years
- £2 billion for automotive over 5 years
- £520 million for life sciences innovation manufacturing to build resilience for health emergencies
- Tax relief for world leading creative industry over 5 years
- £3.9 billion in 25/36 for carbon capture and usage



## UKSPF

£900 Million assigned to UKSPF for 25/26

## Get Britain Working

£240 million assigned to trial ways to get people into work, linked to the upcoming “ Get Britain Working” white paper. Including;

- Bringing together health, employment and skills services to improve support for those inactive due to ill health, to help them return to work
- Test ways to bring young people into work or training, using new and existing programmes in partnership with local areas

## National Wealth Fund

£7.3 billion National Wealth Fund has been confirmed and will fund projects linked to clean energy and the industrial strategy. With the aim of bringing in up to £70 billion in private investment



## Sector Funding

£3.4 billion for warm home plans, linked to heat decarbonisation and energy efficiency, including funding for the boiler upgrade scheme and funding to great the heat pump manufacturing supply chain



£5 billion to support the transition towards a more productive and environmentally sustainable agriculture sector

£200 million to accelerate EV charging point roll out. Linked to gov aim to stop selling new combustion engine cars by 2035



£22.6 billion extra funding to the NHS, with some assigned for new surgical hubs and scanners

£600 million to help local government support social care

£1.8 billion to continue the expansion of the government funded childcare scheme

# Get Britain Working

# Purpose

The main focus of the white paper is to increase the employment rate from 74% to 80%

DWP look at skills, health and other factors

In this webinar, we will be focusing on skills, careers guidance and how these changes may impact the FE sector





# Trailblazers

Eight Trailblazer are to be set up in MCA areas and Wales. The trailblazers will do the following

- Test the **youth guarantee** by providing tailored support for 18–21-year-olds with prep for employment and help to access education and training opportunities locally
- Develop clear leadership and accountability through MCAs, working in partnership with local councils, the national careers service & employers
- Connect local systems (including health & skills) into a single coherent offer, alongside improved digital services and outreach to connect young people to support



# Apprenticeships



The growth & skills levy has been confirmed in the white paper, with the creation of shorter apprenticeships and foundation apprenticeships being the first step

**Shorter apprenticeships** will be offered where occupational competence can be achieved more quickly than 12 months and where it is supported by the sector.





## Connecting people to work

**Connect to work**, a new supported employment programme which combines wider health and skills has been announced for England and Wales. This be embedded into integrated settlements for MCAs, beginning with Manchester & the West Midlands in 2025

**The job centre and national careers service is to be fused into the new jobs and careers service** to ensure information provided is high quality and consistent, boosts **local** skills and fill job vacancies.

This will include improving the digital offer and personalising support to service users.

The new service will increase engagement with employers

# New Plans

**Local Growth Plans** will be created by Mayoral Combined Authorities (MCAs) to further expand on LSIP data and to fill skills gaps and job roles.

**Get Britain Working Plans** will be produced in all areas in England. These plans will be guided by and expand on LSIPs by including additional information such as health barriers which stop people from working.

Local areas may use UKSPF funding to fill gaps found while developing these plans

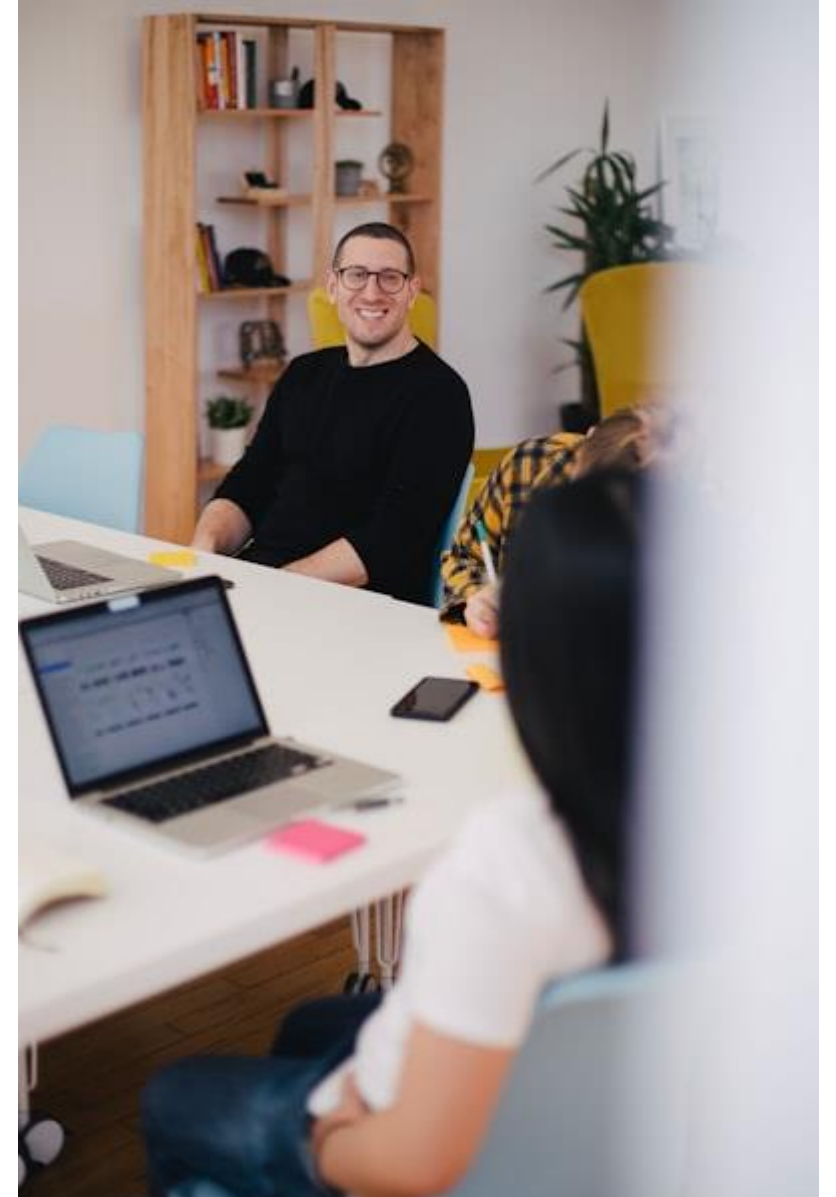




# DWP & DFE



**DFE and DWP have created a new data sharing agreement.** There is a lack of coordination and shared outcome targets between the departments for effective careers advice. As well as a lack of joined arrangements to monitor progress and take account of local contexts. This can lead to duplicated provision and poor value for money. The data arrangement hopes to improve this situation





# Adult Skills

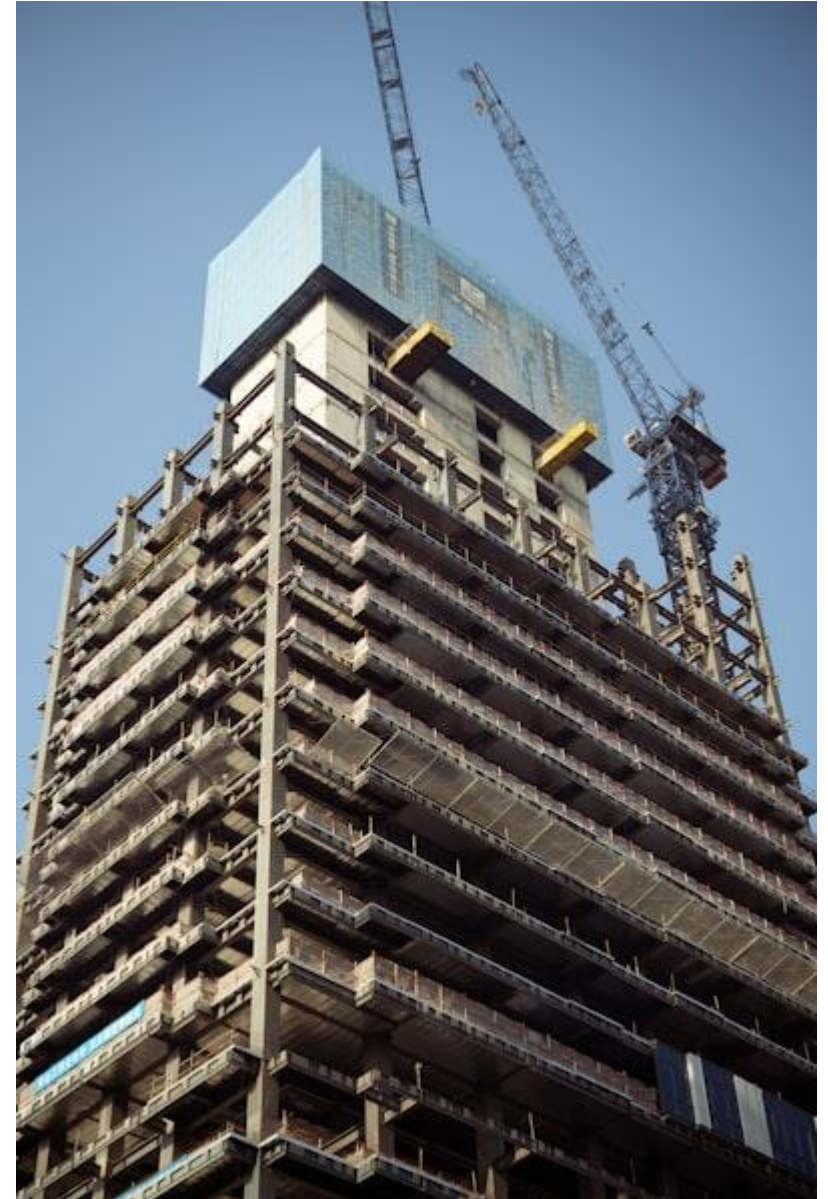
# Construction Skills Hubs

CITB are working with the gov, Skills England & National House Building Council (NHBC) to launch the hubs and identify the areas that need construction workers the most

32 new homebuilding skills hubs will be launched by 2028

Fast track training to local areas that need more housing. With apprenticeships being completed in 12-18 months instead of 24-30 months

Provide 5000 apprentices with a real working environment for training



# Skills Bootcamps

Skills Bootcamps will no longer be procured nationally

They will now only be procured through local services such as MCAs, local authorities and local enterprise partnerships





## New MCA Application

Dorset, Somerset & Wiltshire have submitted plans to become a Mayoral Combined Authority (MCA) which will be named the Heart of Wessex

Bournemouth, Poole, Christchurch & Swindon were originally on their expression of interest but have since been removed. Though the Heart of Wessex remains open to bringing them back into the fold

This is currently only at EOI stage, but is likely to go ahead

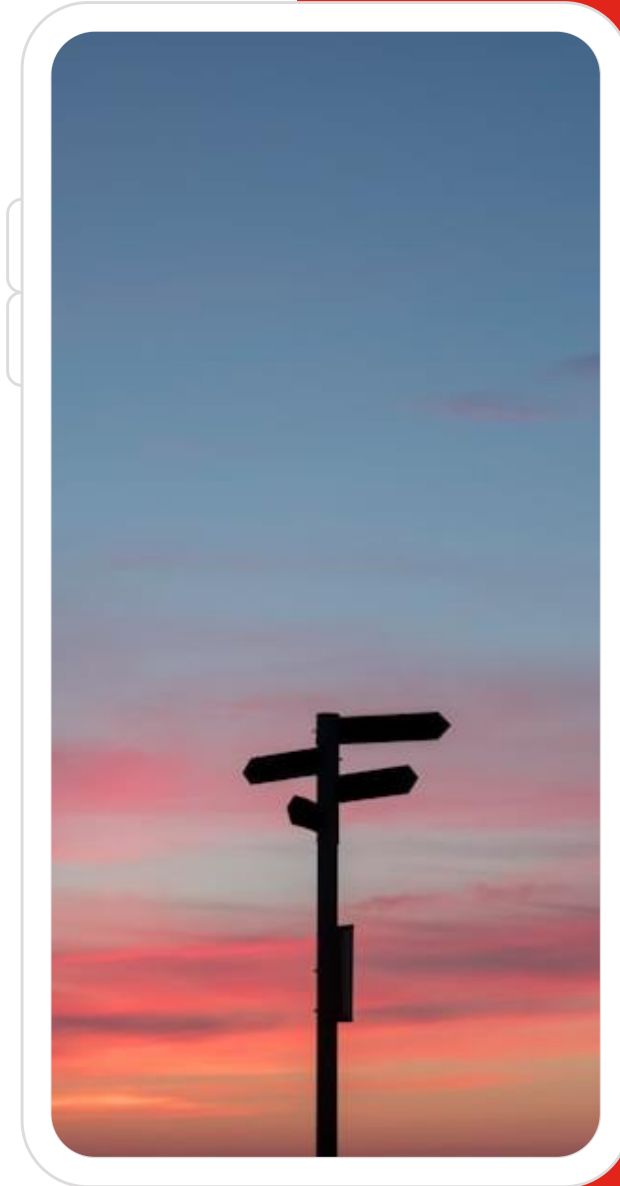
# Reforms

DFE have been conducting a focused review of the qualification offer

The results of the review are due to be released in December 2024

The reforms may change under labour, with different methodologies for funding and defunding

Previously, qualifications overlapping with T Levels and reformed qualifications were due to be defunded





16-19

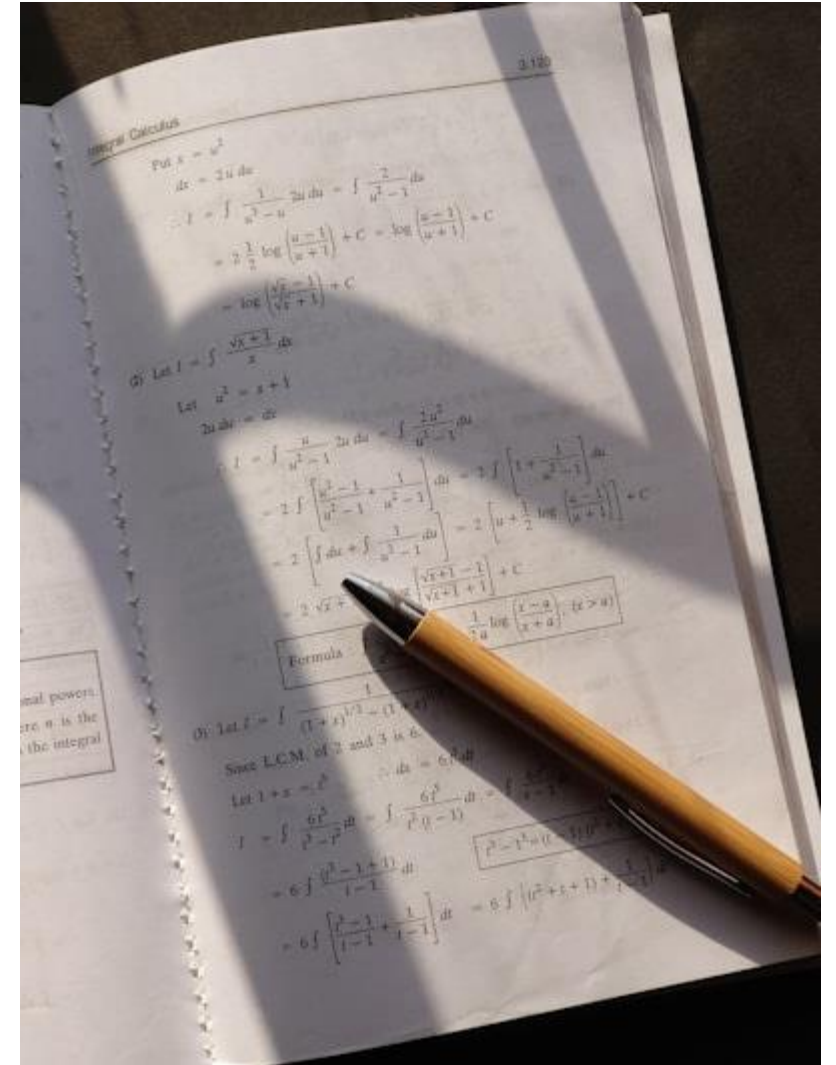
# English & Maths Condition of Funding

From 25/26 providers will be asked to provide a minimum of 100 hours in English and maths, with a non-monitored suggestion for providers to provide an additional 35 hours for maths

The current tolerance rate for this is 5%, dropping to 2.5% in 25/26

DFE **no longer** plan on full removing the tolerance rate entirely by 25/26. This will be kept under review and the sector will be consulted if they consider further changes

Some flexibilities for EHCP learners



# Multiply Scheme to End

Multiply was intended to provide over 19s with provision to improve their day-to-day maths skills, including money management, parent and carer support and employer focused maths

A core aim of the programme was to collect data on what initiatives work, which may influence future policy developments. The data is due to release next Autumn.

There is some flexibility in UKSPF and we may see some areas continuing to fund similar provision





## T Level Placements

T Level students must undergo a 315-hour vocational placement

From January, learners will be able to complete 20% of their placement remotely (50% for digital)

Learners will also be able to gain hours towards their allocation by completing simulated placement activities, with the employer present

Learners will be able to undergo placements which are not in their specific T Level subject

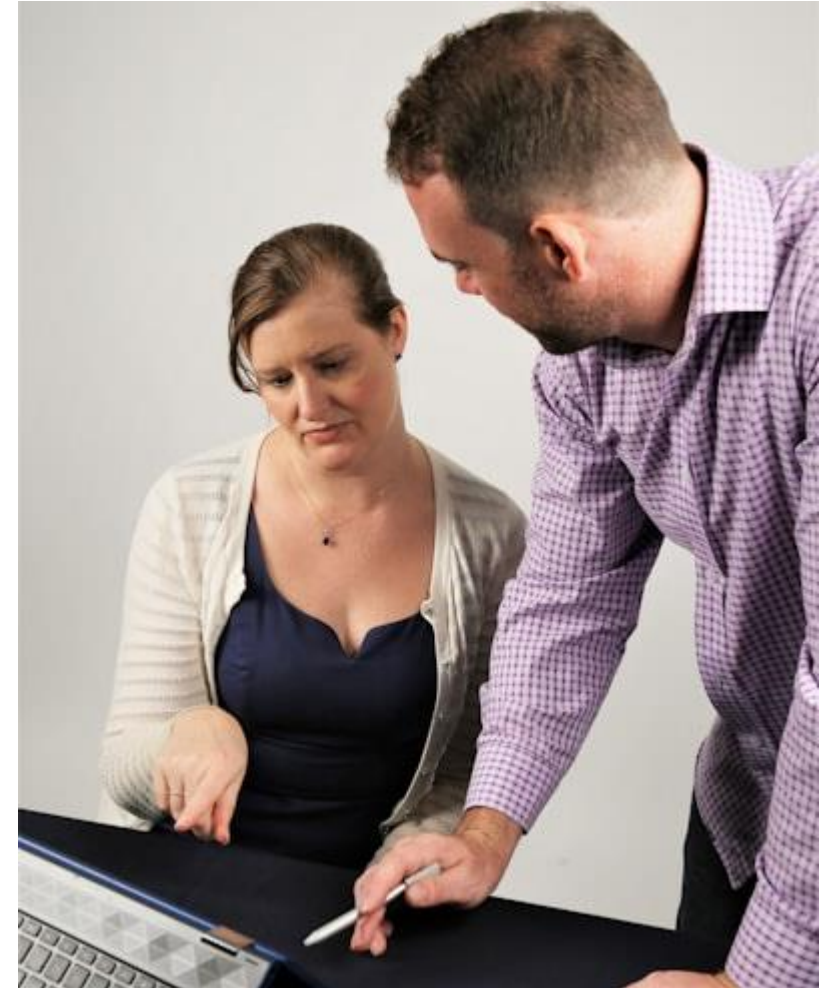
These flexibilities are **not** included in education & early years and dental nursing, who have specific requirements for license to practice

# Targeted Retention Payments

£2000-£6000 payments which go directly to new teachers (within 5 years of teaching) in high skills sectors, including:

- Technology
- Engineering
- Maths
- STEM
- Building & construction
- Computing
- Early years
- Chemistry
- Physics

To be applicable, the teacher must work at either a general FE college, specialist FE college, specialist designation institute or a 16-19 only academy



Applications are open now and close on the 31<sup>st</sup> March 2025



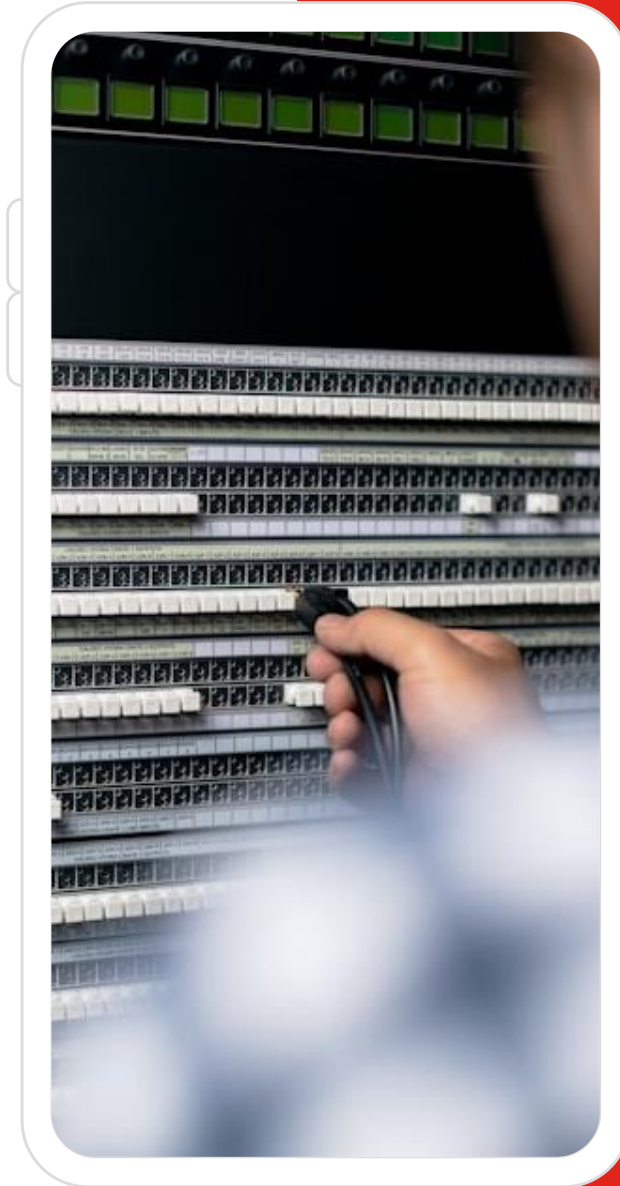
# Apprenticeships

# Incentive Payments

Employers will be contacted by the apprenticeship service to repay the incentive payments if the apprentice has not completed

- 90 days learning for their first incentive payment
- 365 days of learning for their second incentive payment

Apprentices may not have completed sufficient provision if they have withdrawn, had a stop in learning or failed a funding eligibility check





## Level 7 Apprenticeship Potential Defunding



This is intended to open more funding for lower level apprenticeships

There is a perceived notion that level 7 apprenticeships are accessed largely by people who are already successful

The skills & growth levy funding non-apprenticeship skills can only increase the apprenticeship spend, which is already at capacity

£800 million of the levy take which goes to the treasury. There has been some talk of attempting to reduce this number and using this to find level 7 apprenticeships

# Pauses to starts in no-enrolment apprenticeships

IFATE have begun pausing apprenticeships with no starts over the last 12 months

The paused standards will be researched and blockers to applicants will be considered

These standards may be removed or resumed



Next Update Webinar: 5<sup>th</sup>  
February



Questions?

Feedback?



Thank you!

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