



Skills Funding  
Agency

# Business Plan 2013-14

June 2013

Of interest to colleges, employers and training organisations



<b>Contents</b>	<b>Page</b>
Introduction .....	2
Vision and Mission .....	3
Strategic Objectives .....	3
Agency Themes .....	4
Overall Budget 2013-14 .....	4
Key Deliverables and Performance Indicators .....	5
Delivery of Skills Funding Agency Priorities in 2013-14 .....	6
Divisional Overview .....	11
Appendix 1: Corporate Business Cycle .....	12
Appendix 2: Organisational Structure .....	13
Appendix 3: Financial Summary for 2013-14 .....	14
Appendix 4: Glossary .....	15

## **Introduction**

The Skills Funding Agency's Business Plan 2013-14 sets out our priorities, and the actions we will take, to deliver the ambitions of Government as set out in New Challenges, New Chances, the Skills Funding Agency Priorities and Funding Letter and Rigour and Responsiveness in Skills.

We will deliver a high-quality service that puts education and training for learners and employers at the forefront of our work. Through the way we direct the funds that we manage, we will make sure that the investment Government makes contributes to national economic growth and helps release the potential of businesses, people, local economies and communities.

I know that there are challenges ahead and our Business Plan describes how we will address those challenges in the year ahead.

Under my leadership and through our Executive Management Team, the Agency will consolidate its reputation for delivering consistently high levels of technical excellence and expertise in relation to how we commission and fund providers and employers on behalf of BIS and DfE.

We will continue to develop technically-sound, reliable, highly transparent and clearly-described processes to identify the best college and independent training organisations and to manage our budgets effectively and responsibly. We will report clearly and accurately on what has been funded and what has been delivered.

We will at all times drive for value for money. We will ensure the investment made in learning and training – be that whole or in part by the taxpayer, employer or learner – is spent with confidence on high-quality programmes, delivered by high-quality colleges and independent training organisations. We will continue to ask more of the Register of Approved Training Providers so that the selection process is both rigorous and searching.

Alongside technically sound systems for commissioning and managing funding, we will implement the findings from our strategic review of qualifications and establish a new Register of Qualifications approved for public funding. This register will ensure the publicly-funded offer is relevant, high quality, and is easy for learners and employers to understand and navigate, whilst maintaining its responsiveness in a rapidly changing economy.

We will continue to drive up Apprenticeship numbers and will create an additional 60,000 opportunities for 16 to 24 year-olds by stimulating employer demand for apprentices, including those at higher levels. We will also make sure that the new traineeship will offer a clearly signposted pathway onto an Apprenticeship and that it will increase both employer and apprentice satisfaction rates.

My own pledge is that we will further simplify and streamline our systems and the way we interact with the sector to ensure that we keep both bureaucracy and complexity to an absolute minimum. Guidance will be crystal clear - thus freeing the sector to concentrate on meeting the needs of its learners, communities and partners. Through the Further Education Technical Advisory Group, the Qualifications Advisory Group and other stakeholder forums, we will seek the advice of the sector on how we can improve systems, process and guidance even further.

We want to ensure we describe how the sector is responding to local needs and the ambitions of Local Enterprise Partnerships and other stakeholders and we will develop and publish new reports that will quantify and assess responsiveness to local needs as part of our work on Open Data.

The Agency will drive forward the Government's ambition for a skills system that is more employer owned, in the way we administer the Employer Ownership Pilots and the outcomes from the Richard Review of Apprenticeships. We will monitor carefully the introduction of Advanced Learning Loans with the Student Loans Company and, through the information and support we provide to the sector, ensure that this important change in the way the FE offer is funded is delivered effectively.

**Kim Thorneywork**

**Interim Chief Executive of Skills Funding**

**Vision** – The Skills Funding Agency strives at all times to deliver a high-quality service that puts education and training for learners and employers at the forefront of its work, and works in a way that demonstrates the values of the Civil Service.

**Mission** – To fund and promote further education and skills in England so that they make a full contribution to economic growth and meet the needs of learners and employers.

### **Strategic Objectives**

1. We will fund and monitor the performance of the further education and skills system in the simplest possible way, so as to assure Parliament on the spend of public funds.
2. We will continue to implement a simplified, robust and self-sustaining funding system that enables the further education and skills sector to be responsive to current and future customer demands for socially and economically valuable learning.
3. We will achieve efficiencies and value for money in what we do and through our arrangements with delivery partners.
4. We will work to rebalance the further education offer so that it responds to local needs and therefore supports national economic growth.
5. We will make our data available to the public in an open and transparent way so that it supports learners and employers to make choices, and demonstrates the impact of further education and skills.
6. We will work to create one Agency that is recognised by our stakeholders as the best in Government by being professional, expert, responsive and transparent.

These strategic objectives reflect the context, ambitions and investment plans as set out in:

- New Challenges, New Chances (August 2011)
- Skills Funding Statement 2012-2015 (December 2012)
- FE College Capital Investment Strategy (December 2012)
- Skills Funding Agency Priorities and Funding Letter 2013/14 (April 2013)
- Rigour and Responsiveness in Skills (April 2013)

## Agency Themes

In order to achieve our strategic objectives, we need to ensure that we operate through a common culture that is optimal for business delivery.

1. We strive to be excellent in all that we do and to ensure that we share our expertise and knowledge across and outside the organisation.
2. We operate in a changing environment, so the Agency and its people must have the resilience and flexibility to adapt to new challenges as they arise.
3. We are one Agency with a common culture irrespective of locality or function and with clear accountabilities and cross-team working that deliver high-quality outputs.
4. As a technical Agency, we understand our funding function and the data we produce, how that relates to what each of us does and we can talk about it confidently and without the use of jargon.

## Overall Budget 2013-14

Programme Budget (£000s)	Admin Budget (£000s)	DfE Funded (£000s)	Total Budget (£000s)
<b>Includes total Agency programme and capital grants</b>			
3,644,264	97,681	807,500	4,549,445

## Key Deliverables and Performance Indicators

1	Deliver the indicative learner numbers (aged 19 and over) for the 2012/13 and 2013/14 academic years as set out in the Secretary of State's Funding Letter to the Agency dated 2 April 2013
2	Effectively deliver the Agency's budget of £4.6bn to ensure that, unless agreed otherwise with BIS, spend is kept within the £4.6bn control total and within a maximum 1 per cent tolerance
3	Issue all 2013/14 academic year contracts by 30 June 2013, and any in-year performance-related contract variations are sent within 10 days of quarterly performance management sign-off
4	Issue indicative 2014/15 academic year funding allocations to providers in December 2013 and finalised in March 2014
5	Operate a national Register of Training Organisations to undertake due diligence on providers and employers to assure the Agency and the wider sector that all providers in the FE system offer the highest quality, responsiveness and value for money to learners and employers
6	Deliver and successfully implement a simplified funding system, as measured by payments made to providers from the new system and positive feedback received from providers and stakeholders
7	Directly engage with employers to generate new Apprenticeship opportunities, including at least 60,000 places for 16-24 year-olds as well as delivering Apprenticeship Grant for Employers support for up to 20,000 employers
8	Engage directly with existing Apprenticeship employers to generate at least 2,000 new high-quality work experience opportunities as part of the traineeship programme
9	Ensure funds at risk due to financial irregularity are less than 1 per cent of the Adult Skills Budget and at least 50 per cent of these funds are recovered
10	Achieve a 10 per cent increase in the number of individually identifiable National Careers Service customers (from 800,000) and a 90 per cent satisfaction level of individuals receiving information advice and guidance
11	Increase the proportion of apprentices and employers that were 'satisfied' with their Apprenticeship experience, using the NAS annual learner and employer surveys, to 75 per cent
12	Maintain (85 per cent and over) provider satisfaction with the Agency's communications, as demonstrated by the annual provider survey results
13	Maintain Information Management Services to agreed service levels of 98 per cent and 99 per cent for the availability of specific systems used by the Agency and EFA. At the same time, implement the Government's ICT strategy by delivering cloud, open data and digital by default and the provision and consumption of shared services
14	Reshape the Agency to fully integrate the National Apprenticeship Service and realign to deliver efficiencies ensuring that resource capacity and capability fully reflects priorities
15	Achieve Investors in People bronze level by December 2013
16	Ensure the level of responses to the Civil Service People Survey are in the top quarter and responses show an overall increase by 2 per cent

## Delivery of Skills Funding Agency Priorities in 2013-14

This table summarises the activities that the Agency will undertake in 2013-14 to deliver the main priorities as set out in the Secretary of State's [letter](#) to the Chief Executive dated 2 April 2013.

Priority	Business Plan Reference
<p><b>Allocations:</b> Manage the allocation of funds efficiently and effectively in support of the priorities set out in the Skills Funding Statement.</p>	<ul style="list-style-type: none"> <li>• Distribute indicative Funding Statements, including loans facilities, for the 2014/15 academic year in December 2013 and the final Funding Statements for 2014/15 in March 2014.</li> <li>• Operate a transparent approach to the allocation and re-allocation of funds, consulting with the sector on the principles of approach and ensuring allocation calculations support those providers with a track record of successful delivery.</li> <li>• Design and deliver the performance reports for the Adult Skills programmes (including the ASB, ESF and 24+ Advanced Learning Loans budgets) showing how providers meet the needs of employers and learners, and deliver effective procurement.</li> </ul>
<p><b>Apprenticeships:</b> Drive up quality and standards, and increase employer ownership and engagement through supporting the successful implementation of the Richard Review and Holt Review.</p> <p>Identify and tackle poor-quality provision, deliver the Large Employer Outcome Pilot and Apprenticeship Grant for Employers and further simplify systems and processes for employers.</p> <p>Improve access and drive up demand from individuals and employers in order to support growth for 16- to 24-year-olds, at Advanced and Higher levels, and in priority sectors.</p> <p>Improve information and communication about Apprenticeships,</p>	<ul style="list-style-type: none"> <li>• Support employers, including those in EOP, to create more Apprenticeships and to engage in traineeships</li> <li>• Increase employer demand for Apprenticeships, particularly in sectors identified as a priority by the Government Industrial Strategy.</li> <li>• Promote Apprenticeships and traineeships to be better understood by employers ensuring that the Apprenticeship brand continues to be held in high regard and that employers can see the benefits of supporting traineeships.</li> <li>• Deliver 20,000 AGE places for 16-24 support to employers with fewer than 1,000 employees.</li> <li>• Make it easier for small and medium-sized employers to employ apprentices and offer traineeships.</li> <li>• Deliver a dedicated phone and online service for small employers seeking to employ apprentices.</li> <li>• Develop and deliver strategies to enhance employer ownership of Apprenticeships for large employers.</li> <li>• Support the implementation of changes to the Apprenticeship system following the Richard Review.</li> <li>• Increase the number of young people starting an Apprenticeship, including those that are recruited through traineeships</li> <li>• Successfully implement the 16-18 Apprenticeship action plan.</li> <li>• Develop an effective Information, Advice and Guidance partnership on Apprenticeships with the National Careers Service and key partners (including UCAS).</li> <li>• Clearly communicate the benefits of Apprenticeships, increasing awareness and demand for Apprenticeships from individuals, particularly young people.</li> <li>• Celebrate vocational skills achievements and successes through an effective National Apprenticeships Week, Awards and WorldSkills UK Competitions.</li> <li>• Support the development of progression pathways from traineeships into Apprenticeships.</li> <li>• Increase potential apprentices use and satisfaction with Apprenticeship vacancies, making it easier for individuals to apply for Apprenticeships.</li> <li>• Support the delivery of high-quality Apprenticeships in line with new quality standards and the 'Rigour and Responsiveness' direction.</li> <li>• Ensure all Apprenticeship provision continues to meet the compliance requirements of the Quality Statement removing poor or inadequate provision, where appropriate.</li> <li>• Identify and manage key risks/quality issues, as well as best practice, in relation to Apprenticeship delivery.</li> <li>• Review and quality assure all frameworks to ensure they meet Apprenticeship quality standards.</li> </ul>



<p>particularly to individuals, schools and parents, and through the successful operation of Apprenticeships vacancies.</p>	<ul style="list-style-type: none"> <li>• Establish and review the link between the minimum 12-month duration and the durations recommended by employers in frameworks.</li> <li>• Ensure that the planned programme of research and evaluation provides focussed outputs that are used to inform both policy development and the wider review of Apprenticeship quality.</li> <li>• Increase the proportion of the Apprenticeship programmes that are at Advanced or Higher Level.</li> <li>• Broaden access to the Apprenticeship programme for Black, Asian and Minority Ethnic (BAME) backgrounds and Learners with a Learning Difficulty or Disability.</li> <li>• Maintain the proportion of apprentices from BAME backgrounds recruited onto the Apprenticeship programme compared to 2012/13.</li> <li>• Maintain the proportion of apprentices with a learning difficulty or disability recruited onto the Apprenticeship programme compared to 2012/13.</li> <li>• Ensure additional support funding is made available to qualifying 19-24 year-olds that need it most, including use of European Social Funding.</li> <li>• Deliver expert and consistent provider management that maximises the value and outcomes from the spend on skills provision and effectively implements the new funding system.</li> </ul>
<p><b>Traineeships:</b> Ensure that providers and employers understand traineeships, using links with major employers to promote traineeships and secure their support to provide high-quality work experience and progression into jobs and Apprenticeships.</p>	<ul style="list-style-type: none"> <li>• Ensure that traineeships offer a flexible route to help young people enter the workplace, building on the existing simplified funding system.</li> <li>• Ensure that BIS colleagues are regularly updated through reports and developments of the traineeships programme.</li> <li>• Support employers to engage in traineeships.</li> <li>• Promote traineeships to be better understood by employers so they can see the benefits of supporting traineeships.</li> <li>• Make it easier for small and medium-sized employers to offer traineeships.</li> <li>• Increase the number of young people starting an Apprenticeship, including those that are recruited through traineeships.</li> <li>• Support the development of progression pathways from traineeships into Apprenticeships.</li> </ul>
<p><b>24+ Advanced Learning Loans:</b> Support the successful introduction of 24+ Advanced Learning Loans enabling adult learners to continually improve and update their skills.</p>	<ul style="list-style-type: none"> <li>• Design and deliver the performance reports for the Adult Skills programmes (including the ASB, ESF and 24+ Advanced Learning Loans budgets), showing how providers meet the needs of employers and learners, and deliver effective procurement.</li> <li>• Forecast financial year and academic year expenditures for Adult Skills programme (including the 24+ Advanced Learning Loans) and 16-18 Apprenticeship programme budgets monthly in line with the timetable for finance colleagues to report back to BIS and EFA.</li> <li>• Distribute indicative Funding Statements including loans facilities for the 2014/15 academic year in December 2013, following modelling assumptions and the Skills Funding Statement publication.</li> <li>• Operate a transparent approach to the allocation and re-allocation of funds, consulting with the sector on the principles of the approach and ensure allocations support those providers with a track record of successful delivery.</li> <li>• Design a fit-for-purpose future contracting system enabling new policies such as Loans, EOP and ESF to be managed effectively.</li> <li>• Distribute final Funding Statements including loans facilities for 2014/15 in March 2014.</li> <li>• Manage the SLC and the Agency Service Agreement deliverables which incorporate loans into the existing audit, counter fraud and complaints procedures. Collate loans activity and undertake formal reporting to the SLC/ Agency Service</li> </ul>

	<p>Agreement Group. Where appropriate, action will be taken to review and amend the agreement.</p> <ul style="list-style-type: none"> <li>• Continue to work with the SLC and Agency Stakeholder Working Group to prepare, inform, assess and evaluate the implementation of Loans on the sector and learner response.</li> </ul>
<p><b>New Challenges, New Chances</b> Support colleges to work within the policy framework set out in <i>New Challenges, New Chances</i> when determining how best to meet the needs of learners, employers and their broader communities.</p>	<ul style="list-style-type: none"> <li>• Monitor college mergers and structural changes in order to ensure due process is followed (including the use of the College Structure and Prospects Appraisal Framework), consistency of Agency response, intervening only where there are risks to the sufficiency and adequacy of provision and / or to public funds, or where due process has not been followed.</li> </ul>
<p><b>Adult Community Learning.</b> Take the lead in preparing providers for changes to Adult Community Learning.</p>	<ul style="list-style-type: none"> <li>• Maintain the work with and support for 15 Community Learning Trust (CLT) Pilots that commenced operating in 2012/13. The work of these pilots will continue to inform Community Learning policy for 2013/14 and beyond.</li> <li>• Deliver the objectives of the Community Learning programme by raising awareness and understanding of policy, identifying and spreading good practice and challenging those providers who are unwilling or unable to demonstrate compliance.</li> <li>• Encourage providers to generate revenue and operate in close partnerships.</li> </ul>
<p><b>City Deals/ LEPs</b> Lead communications with LEPs, the cities and their partners on skills at the local level, ensuring they understand the freedoms and flexibilities available to respond to local skills needs. Encourage and facilitate FE college and provider engagement in supporting and responding to the skill priorities set out in LEP and city skills plans; and working in partnership with the Wave 2 cities to develop their proposals as they relate to skills and labour market issues.</p>	<ul style="list-style-type: none"> <li>• Build stronger local intelligence so that stakeholders have an improved understanding and make more effective use of the FE and skills sector, leading to better alignment of provision and funding local needs.</li> <li>• Develop and publish a suite of MI/ data reports that reflect local delivery by LA and LEP footprints, for external communication (Locality Reports), telling a clear and evidenced story on how the system is responding to local priorities. Actively support local responses to analysis of data.</li> <li>• Work with local stakeholders to support the full and active engagement of the FE sector in meeting local skills needs. A single, simple script will enable all staff to describe the operation of the skills system nationally and locally, to ensure that stakeholders understand the contribution that the FE sector makes to the local community and its employers.</li> <li>• Act as the single point of contact with cities/areas on skills-related matters for Wave 1 and Wave 2 of the City Deal process and Community Budget areas, leading discussion to negotiate, monitor and review on behalf of Government. Work with LEPs, Cities and WPCB areas to develop their proposals in line with local skills and labour market issues and support LEPs in their role of setting local skills strategies.</li> <li>• Develop and introduce Local BIS management meetings to align BIS activity on the ground alongside local economic growth or decline issues.</li> </ul>
<p><b>Employer Ownership Pilots</b> Support BIS in reviewing and</p>	<ul style="list-style-type: none"> <li>• Run an automated grant assessment, receipt and management service for BIS/DfE/UKCES for the Employer Ownership Fund.</li> </ul>

<p>evaluating Round 2 of the Employer Ownership Pilots, acting as the contracting body and reporting on the progress of successful bids.</p>	<ul style="list-style-type: none"> <li>• Set up a programme management service for Round 2 of the Employer Ownership Fund.</li> <li>• Support employers who are delivering Apprenticeships through the EOP.</li> <li>• Deliver expert and consistent provider management that maximises the value and outcomes from spend on skills provision and effectively implements the new funding system.</li> </ul>
<p><b>National Careers Service</b> Operate and develop the National Careers Service</p>	<ul style="list-style-type: none"> <li>• Continuously improve the National Careers Service, focusing on local information and partnership work so that high-quality careers advice enables more customers to achieve learning and employment outcomes.</li> <li>• Work with partners including NAS, JCP and NOMS to extend the benefits of impartial careers advice to more customers.</li> <li>• Continue to work towards the Government's strategy of 'digital by default' by improving NCS online services.</li> <li>• Develop a new funding model which rewards the achievement of job, employment and careers management outcomes.</li> <li>• Move towards a new model of area-based contracts with a focus on ensuring local, expert impartial advice is available either face-to-face, on the telephone or through the website, providing a more localised service and more relevant local labour market information.</li> <li>• Ensure that the National Careers Service is as effective as possible by focusing on performance management, contract compliance and being proactive in linking employers, education institutions and local partners.</li> </ul>
<p><b>Open Data</b> Work with BIS to support and help implement the outcomes of the open data review, including making arrangements to publish existing and future FE Choices data in a format that allows others to use and re-use it.</p>	<ul style="list-style-type: none"> <li>• Regularly assess and review the quality and performance of providers to inform Agency decisions and actions and to provide stakeholders and customers with clear information so that they can make informed decisions.</li> <li>• Collect data and publish information in open and accessible formats in line with the Government's open data strategy, to enable the Agency, stakeholders, learners and employers to assess the performance of individual providers and make informed decisions. This data will also be used to support the development of Chartered Status for as a mark of excellence for colleges and training providers.</li> <li>• Deliver management information and National and Official statistics including the Statistical First Release and Qualification Success Rates reporting for all required funding streams.</li> <li>• Publish FE data in open formats for stakeholders to use and make data more accessible from data.gov.uk.</li> </ul>
<p><b>Quality and standards:</b> Set high standards, supported by strong performance management and intervention. Drive improvements in the quality and rigour of FE provision, including Apprenticeships.</p> <p>Maintain a proportionate approach to monitoring the sector, whilst taking quick and robust action to identify and tackle poor performance.</p> <p>Implement in shadow form</p>	<ul style="list-style-type: none"> <li>• Regularly assess and review the quality and performance of providers to inform Agency decisions and actions and to provide stakeholders and customers with clear information so that they can make informed decisions.</li> <li>• Implement provider performance assessment and risk management policies and procedures, ensuring consistency, timeliness and high standards are maintained and that issues affecting reputation, performance and risk are identified early and tackled decisively with interventions in proportion to need.</li> <li>• Improve the Agency's management of risk through implementing changes to processes in response to issues arising from the Agency's risk assessment processes.</li> <li>• Continuously improve provider performance assessment and risk management systems and processes working with Ofsted and the EFA. Implement the new approach to Minimum Standards using QSRs and develop measures of performance for important outcomes for learners and employers, and tools to inform provider review process and risk assessment.</li> <li>• Manage providers that fail to meet quality and performance standards or contractual requirements so that either improvement or market exit is secured.</li> <li>• Implement updated processes to ensure intervention is robust and rapid, and proportionate to need, delivering a consistent approach and liaising with BIS, DfE and EFA to manage joint interventions. Provide advice to the Minister on</li> </ul>

<p>the more targeted and transparent standard setting arrangements, working towards full implementation in 2014.</p>	<p>individual cases until the FE Commissioner is appointed and then support the Commissioner in providing advice.</p> <ul style="list-style-type: none"> <li>• Implement the new processes for management of fraud allegations and investigations delivering a consistent approach.</li> <li>• Manage the Agency's responsibilities throughout the closure of LSIS, facilitating the transfer of key functions to other organisations.</li> </ul>
<p><b>Vocational qualifications</b> Actively engage in the work already underway to develop a vision for high-quality vocational qualifications, which will include objective criteria to test whether a qualification should be funded or not; and to work with the UK Commission and the Department to apply those criteria so that by 2015 there is confidence in all publicly-funded qualifications for adults.</p>	<ul style="list-style-type: none"> <li>• Working with QAG, implement the outcomes of the 2012 strategic review of qualifications and refocus the offer through consultation and implementation of new principles and business rules for approving qualifications.</li> <li>• Working with QAG, undertake 2013 strategic review in order that it aligns with timelines for Funding Systems to publish the 2014/15 qualifications catalogue and the 2014 Skills Funding Statement.</li> <li>• Review the present policy on funding of qualifications linked to formal licence to practice (linking into Richard Review of Apprenticeships and DfE consultation on occupationally-specific qualifications).</li> </ul>
<p><b>FE Capital</b> Continue to lead the implementation of the FE College Capital Investment Strategy published on 6 December 2012.</p>	<ul style="list-style-type: none"> <li>• Continue to develop and implement capital programmes that renew and modernise the FE College estate with modern buildings, facilities and equipment; offering high-quality learning environments.</li> <li>• Deliver the college Capital Investment Strategy and fund in accordance with guidance agreed with the sector and meet the agreed timetable for communicating decisions with the sector, ensuring there are integrated internal processes operating across Capital, Finance and Relationship Teams. Target funds to where there is greatest need and where there will be maximum impact.</li> <li>• Implement BIS Ministers' expectations of a targeted Capital Allocations scheme that is supported by the sector, ensuring timely implementation to deliver maximum spend of the capital budget.</li> </ul>
<p><b>ICT Supply Chain</b> Make significant progress to move to a new ICT supply chain that aligns to the Government's ICT strategy and meets commitments given to Cabinet Office, and secures greater efficiency in delivery of IM services.</p>	<ul style="list-style-type: none"> <li>• Re-procure the existing supply chain in line with the Government's ICT strategy, and drive further improvements in the IM Services operation aligning with the Civil Service Reform Plan, digital strategy and open data strategy.</li> <li>• Transition the ICT estate to a new supply chain.</li> </ul>

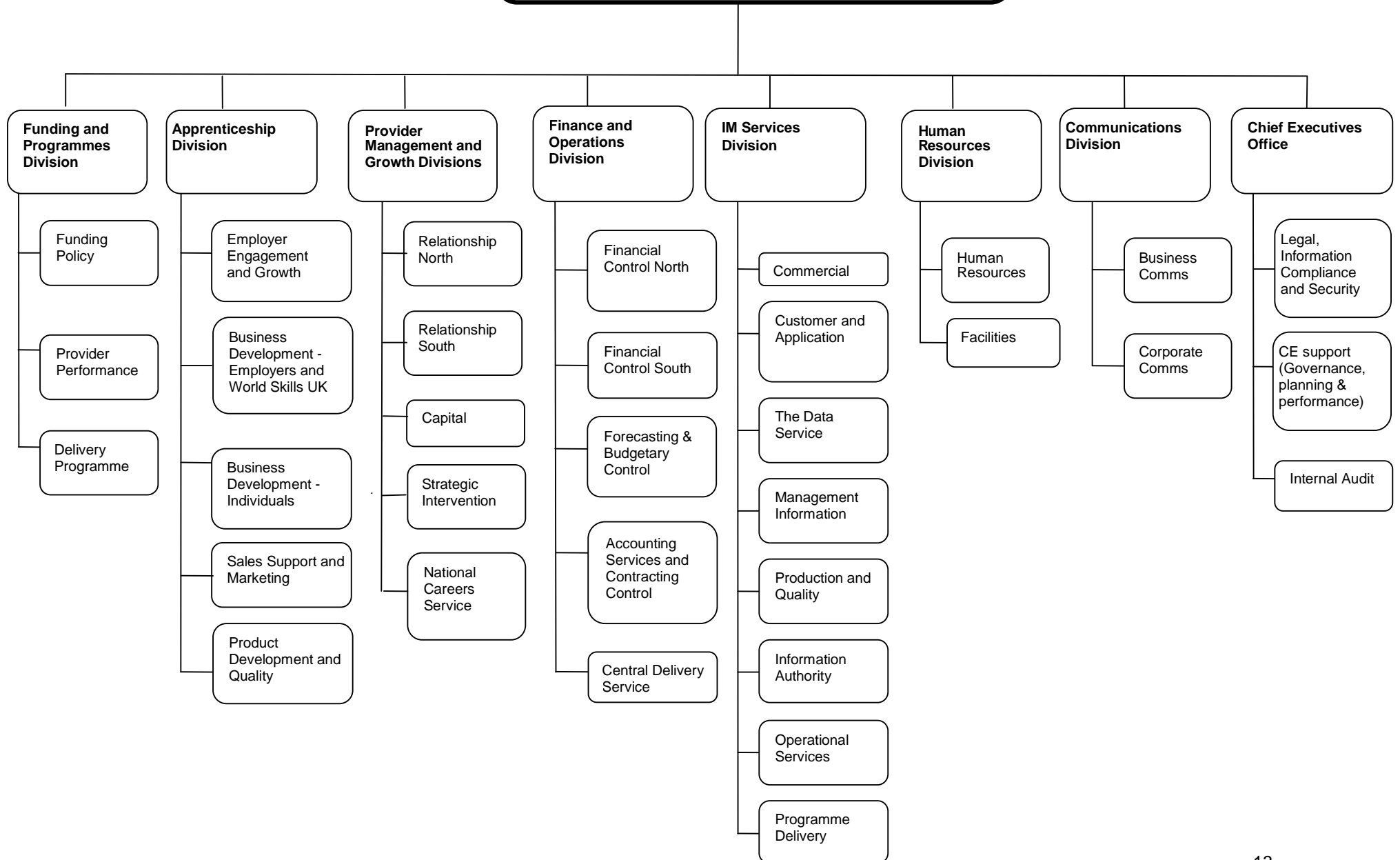
## Divisional Overview

Division	Summary of functions
Funding and Programmes	The Funding and Programme Division's overarching ambition is to secure a reputation for excellence and competence by: demonstrating high levels of technical expertise in relation to commissioning and funding providers on behalf of BIS and DfE. Also maintaining precision through the identification of high-quality providers, managing Agency participation and programme budgets and reporting accurately on the outcomes of what has been funded.
Apprenticeships	The Apprenticeships Division is tasked with ensuring the delivery of high-quality Apprenticeships for employers and individuals in England. It does this through promoting Apprenticeships; providing a responsive, high-quality service to employers; by working with partners to improve the design and delivery of high-quality Apprenticeships; through promoting and supporting traineeships as part of the Apprenticeship family; and through the promotion of WorldSkills UK skills competitions to employers and young people.
Provider Management and Growth	The Provider Management and Growth Divisions work together to lead: the local delivery of the Agency's business with providers and stakeholders; the performance management systems that ensure effective use of the skills budget; activities that support improved responsiveness to individual and economic need, including successful delivery of the National Careers Service, the development and implementation of capital programmes and delivery of WorldSkills UK agenda.
Finance and Operations	The Finance and Operations Division provides core financial management - both strategic and operational as well as stewardship of Agency resources ensuring financial accountability and minimising financial risk by supporting and challenging the business and monitoring use of resources. The Division also contributes to the assurance on the proper use of taxpayers' funds distributed to providers and provides financial support to the sector. In addition the Central Delivery Service aims to protect public funds and deliver the Agency's objectives through effective management of contracts with colleges and other providers. Lastly the Provider Budget Management Team is responsible for determining initial and final sector allocations; running the Agency's in-year and end-of-year performance management processes to move money around and manages the core systems for contracting and performance management.
IM Services	The IM Services Division currently provides IT and information services to the Agency, the Education Funding Agency and the wider education and skills sector. These services include: support and development of business applications, such as for funding, contract management, payments, careers management and Apprenticeship matching; collection and dissemination of data from learning providers and awarding organisations; transformation of data into management information; delivery of business and IT change programmes and projects to produce new and improved services; provision of mobile and desktop end-user IT and wider sector services and products such as the Personal Learning Record and National and Official Statistics.
Human Resources	The Human Resources Division works with and supports the business to ensure that all staff have the appropriate skills, knowledge and resources to deliver the Agency's priorities, within an environment which stimulates and enables high performance, supports individual and team development and responds positively to change.
Communications	The Communications Division delivers a comprehensive communication strategy and implementation, working with all Divisions across the one Agency. Strategic and tactical inputs ensure that all available channels (those operated by the Agency and those by its partners/stakeholders) are used to their fullest extent to support the achievement of the Agency's key objectives and ensure its messages are heard. The Communication Division is a key function of the Agency and also contributes to promoting the FE sector in its successful delivery of skills and training to learners that in turn support the growth agenda.
Chief Executive's Office	The Chief Executive's Office heads the Agency's Executive Management Team and senior stakeholder management. It supports both functions and oversees business planning, corporate performance and risk reporting and delivers internal audit and legal services for the Agency.

**Appendix 1 – Corporate Business Cycle**

	2012/2013 Academic Year							2013/2014 Academic Year								
	Q3		Q4			Q1			Q2		Q3			Q4		
	Apr	May	Jun	July	August	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Key documents</b>	Business Plan 2013-14 published		Annual Report 2012-13 published					Skills Funding Statement 2014-15 published				Priorities and Funding Letter 2014-15 published	Business Plan 2014-15 published		Annual Report 2013-14 published	
<b>Allocation and management of funds</b>	2012/2013 Q3 Performance Management Process							2012/2013 Year-end and Final Claim Reconciliation								
										2013/2014 Mid year funding claims submitted						
								2013/2014 Q1 Performance Management Process		2013/2014 Q2 Performance Management Process			2013/2014 Q3 Performance Management Process			
									2014/2015 Indicative Funding Statements issued			2014/2015 Final allocations issued				
<b>Key events</b>			Future spec for NCS published					New Minimum Standards implemented				New NCS model delivery begins				
	Final Funding Rules for 2013/14 published	Traineeships Funding Rules for 2013/14 published							Indicative Funding Rules for 2014/15 published		Final Funding Rules for 2014/15 published					
			Annual Provider Survey					The Skills Show			Apprenticeship Week	Annual Provider Survey				
	2013-2014 Financial Year								2014-2015 Financial Year							
	Apr	May	Jun	Jul	August	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
	Q1			Q2			Q3			Q4			Q1			Q2

# Skills Funding Agency (as at March 2013)



**Appendix 3 – Financial Summary for 2013-14**

	<b>Grand Total £000s</b>
<b>Teaching &amp; Learning:</b>	
Adult Skills Budget	<b>2,467,875</b>
OLASS	<b>151,394</b>
Adult Safeguarded Learning	<b>210,747</b>
<b>Total Teaching &amp; Learning</b>	<b>2,830,016</b>
Student/Learner Support	<b>264,666</b>
Skills Infrastructure	<b>41,711</b>
<b>Total SFA Programme</b>	<b>3,136,393</b>
<b>Capital Grants</b>	<b>507,871</b>
<b>Admin Budget</b>	<b>97,681</b>
<b>Total BIS Funded SFA</b>	<b>3,741,945</b>
<b>DfE funded</b>	<b>807,500</b>
<b>Total</b>	<b>4,549,445</b>

Budgets based on Skills Funding Agency Priorities and Funding Letter dated 2 April 2013 and is pending any additional budget transfers.



**Appendix 4 – Glossary**

<p><b>A</b></p> <p>AGE Apprenticeship Grant for Employers</p> <p>ASB Adult Skills Budget</p> <p><b>B</b></p> <p>BAME Black, Asian, Minority Ethnic</p> <p>BIS and Department for Business, Innovation Skills</p> <p><b>C</b></p> <p>CLT Community Learning Trust</p> <p><b>D</b></p> <p>DfE Department for Education</p> <p><b>E</b></p> <p>EFA Education Funding Agency</p> <p>EOP Employer Ownership Pilot</p> <p>ESF European Social Fund</p>	<p><b>F</b></p> <p>FE Further Education</p> <p>FETAG Further Education Technical Advisory Group</p> <p><b>J</b></p> <p>JCP Jobcentre Plus</p> <p><b>L</b></p> <p>LA Local Authority</p> <p>LEP Local Enterprise Partnership</p> <p>LSIS Learning and Skills Improvement Service</p> <p><b>M</b></p> <p>MI Management Information</p> <p><b>N</b></p> <p>NAS National Apprenticeship Service</p> <p>NCS National Careers Service</p> <p>NOMS National Offender Management Service</p>	<p><b>P</b></p> <p>PEG Provider Enquiry Group</p> <p>PRAM Provider Risk Assessment and Management</p> <p><b>Q</b></p> <p>QAG Qualifications Approval Group</p> <p>QSR Qualification Success Rates</p> <p><b>S</b></p> <p>SLC Student Loans Company</p> <p><b>U</b></p> <p>UCAS Universities and Colleges Admissions Service</p> <p><b>W</b></p> <p>WPCB Whole Place Community Budgets</p> <p>WSUK WorldSkills UK</p>
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