

**Skills
Funding
Agency**

Managing the Transition from Funding Qualifications on the National Qualifications Framework (NQF) to Funding Qualifications on the Qualifications and Credit Framework (QCF)

04 June 2010

Introduction and Approach

1. This paper offers an update on the process for the transition from funding qualifications on the National Qualifications Framework (NQF) to funding qualifications on the Qualifications and Credit Framework (QCF) *for learners aged 19 and over in England*. It further clarifies the timescales for focussing funding on the QCF which were first set out in the 'Managing Transition' paper produced by the Learning and Skills Council on 3 March 2010.
2. This document is solely focussed *on the public funding of provision* for post 19 learners in England. It reflects the wish of the Skills Funding Agency (Agency) to focus public funding of provision on the QCF from August 2010. Ofqual have recently written to all Chief Executives of awarding organisations informing them of the regulatory arrangements surrounding the transition to the QCF (May 2010). As that letter indicates, funding decisions are taken independently of regulatory decisions therefore the arrangements set out in the letter should not be taken to reflect funding policy. With the exception of National Qualification Framework provision where it is part of an existing Apprenticeship framework and where the timescales for transition to the Specification of Apprenticeship Standards for England (SASE) are different, the Agency will cease funding for new starts on existing NQF provision outside of Apprenticeships in line with the timescales outlined in this paper.
3. The implementation of the QCF across the post 19 Further Education and Skills sector in England is a key part of the Agency's work, and is central to the aspiration for a system where there is wider and more flexible access to skills training and a greater focus on skills for the modern world. As part of the implementation of the QCF and wider programme of vocational qualification reform, the Agency intends to focus funding on provision from the QCF from 1 August 2010 and work with key delivery partners (sector organisations and awarding organisations) to ensure a comprehensive QCF from early 2011. *This means that, from August, we do not intend to fund NQF provision where either there is appropriate QCF provision that has been accredited and confirmed for funding by 1 June 2010 or, where the appropriate sector organisation has advised us that the NQF qualification no longer meets sector or employer needs and they do not wish the NQF qualification to continue to be funded. In addition, we will seek to cease funding where a NQF qualification has historically low or no enrolments and is not considered a niche qualification or in a vulnerable sector. In the ceasing of funding we would emphasise this is for new starts, the Agency will not withdraw funding where a learner has already commenced provision.*
4. From 1 April 2010, the Agency assumed responsibility for confirming qualifications for public funding for post 19 learners in England. A high level overview of the Agency's process for confirming public funding is available online at <http://qcf.skillsfundingagency.bis.gov.uk/qcf-funding/confirmationfunding/>. This process, by which vocational qualifications will be confirmed for funding on the advice of sector organisations, is part of the move to focusing funding on the QCF.
5. QCF qualifications already confirmed for funding and available for delivery now and throughout the forthcoming delivery year (2010/11) can be viewed at an online list at: <http://qcf.skillsfundingagency.bis.gov.uk/qcf-funding/confirmationfunding>. This list is currently being updated every two weeks. *From 1 June this list represents the core of the QCF offer which providers will be expected to deliver for 2010/11.* This does not mean that providers cannot continue to switch to QCF provision as it becomes available, we will continue to encourage providers to switch to QCF qualifications where they can. In addition, specific additional provision for the

Offenders' Learning and Skills Service (OLASS) and Programmes for the Unemployed (PfU) will be added through June.

6. Throughout 2010, QCF qualifications will continue to be developed in line with the timescale agreed by the UK Vocational Qualification Reform Programme Board that all vocational qualifications should be in the QCF by the end of December 2010. As indicated above, as QCF qualifications are accredited and confirmed for funding they will continue to be added to the online list.
7. Alongside the process of confirming QCF qualifications for funding, the Agency has also been working with sector organisations to identify and confirm those NQF qualifications where funding can cease for new starts from 31 July 2010 because an appropriate QCF offer has been accredited and confirmed for funding.
8. Taking account of provider concerns regarding transition times, the Agency has decided that a list of those NQF qualifications where we are seeking to remove funding for new starts should be published at two points during this year, the beginning of June 2010 (for cessation of funding from 31 July 2010) and the end of September 2010 (for cessation of funding from 31 December 2010). This decision has been made to enable providers to plan for the forthcoming academic year with a degree of certainty, knowing which QCF and NQF qualifications will be available and funded from 1 August 2010. Thereafter it is the intention that each January the Agency will publish a list of qualifications where funding for new starts will be removed in advance of the new delivery year. Thus ensuring providers do have appropriate notification of changes in the publicly funded offer.
9. The Agency's commitment to full QCF implementation remains as firm as ever. If we are to establish not just a QCF offer, but support learners through a credit accumulation and transfer system then we need to encourage as much take up of QCF provision as we are able. We recognise that sector organisations and awarding organisations have been working hard since 2008 to build and populate the QCF. Therefore where QCF provision exists we will encourage providers to deliver that provision (even where legacy NQF provision exists and is being funded on an interim period).

Summary of Timetable

10. In terms of the timescales and process towards 31 July 2010 and 31 December 2010, the following stages will apply:

June Published List

11. At the beginning of June 2010, a qualification list for the removal of funding will be published. This will set out those NQF qualifications where funding for new starts will cease from 31 July 2010, *as appropriate QCF qualifications have been accredited and confirmed for funding for the new academic year*. For NQF qualifications not included in the June list, the current NQF offer will continue to be funded but will be subject to review at the end of September.

End of September Published List

12. At the end of September it is intended to review the funding of remaining NQF qualifications with a view to ceasing funding for new starts for these qualifications from 31 December 2010 as an appropriate QCF offer has either been or is scheduled to be accredited and confirmed for funding up to and including the end of December 2010. This is in line with the expectation set by the UK Vocational Qualification Reform Programme Board that all vocational qualifications will be in the QCF by 31 December 2010.

13. We will continue to work closely with sector organisations and awarding organisations to monitor the timescales for transition to the QCF, particularly in terms of the breadth and depth of the available QCF offer at the end of December 2010.

January Published List

14. Going forward, the Agency will, each January, publish a list of those qualifications where funding for new starts will cease in advance of the new academic year.


Parallel Funding of NQF and QCF Provision

15. The Agency accepts that there may be a need to fund both NQF and QCF qualifications for an interim period. Specifically the period after the publication of the June 2010 list and subject to review at the September 2010 list. As indicated above, where this is the case we will look at how we can actively encourage providers to make the switch to the QCF qualification as soon as possible and certainly review whether funding for the NQF qualification can be turned off as part of the end September 2010 list. In all cases we will expect the vast majority of new starts to be on the QCF qualification as soon as it is available.

Challenges to the Published Lists

16. The Agency will consider formal challenges to the published lists in June and October 2010. Funding for NQF qualifications will be extended only where a successful challenge has been agreed. This agreement will be at the discretion of the Skills Funding Agency Strategic Approvals Panel (SAP).
17. Following publication of the June list, awarding organisations and providers must submit any challenges by 25 June 2010. Final decisions will be published on 12 July 2010 after the SAP meeting on 8 July 2010. Where a successful challenge has been agreed, funding for qualifications will be extended only for as long as is needed to support successful transition, and no later than 31 December 2010.
18. Following publication of the September 2010 list, awarding organisations and providers must submit any challenges by 31 October 2010. Final decisions will be published on 12 November 2010 after the SAP meeting on 9 November 2010. Qualifications where a successful challenge has been agreed will be extended only for as long as is needed to support successful transition and no later than 31 December 2010. The challenge process is available on the Agency's website: <http://qcf.skillsfundingagency.bis.gov.uk/qcf-funding/implementation/>
19. In order ensure accuracy of the NQF lists, we have agreed with the Federation of Awarding Bodies and the Joint Council for General Qualifications, that we will work with them where awarding organisations do raise queries over the accuracy of the NQF list and work to resolve these as quickly as possible.
20. The diagram below summarises the timetable:

Diagram 1: Funding for new starts on QCF and NQF



	April – July 2010	Aug – Dec 2010	Jan 2011 onwards
What will be funded?	Both NQF and QCF provision funded	Focus of funding on QCF provision where it is accredited and confirmed for funding; NQF provision funded where QCF offer not yet available.	Comprehensive range of QCF provision funded.
What will not be funded?		NQF provision on June list will not be funded	NQF provision on September list will not be funded
Lists published	June list published	September list published	January list published

21. Notes on particular categories of provision:
- Some categories, such as Skills for Life and Access to HE, are outside the scope of the QCF, and so will continue to be funded.
 - For Apprenticeships, the deadline for compliance with the Specification of Apprenticeship Standards for England (SASE) is April 2011. The Agency, on behalf of the National Apprenticeships Service (NAS), will continue to fund new starts on existing frameworks until a SASE-compliant successor framework is issued (or April 2011, whichever is the sooner). However, the Agency and NAS would expect Sector Skills Councils to refresh their frameworks to make them SASE compliant as soon as possible once the relevant QCF provision becomes available.

Further Information and Support

22. More information relating to the QCF, including transition is available on the QCF website at: <http://qcf.skillsfundingagency.bis.gov.uk/>.
23. The Agency has put in place a service desk to act as the single point of entry for QCF queries and handle the anticipated higher volume of queries during the transition period. It can be accessed at qcf servicedesk@skillsfundingagency.bis.gov.uk. Queries received via the service desk will also inform a Frequently Asked Questions (FAQ) document that will also be made available on the QCF website.

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