**Item RC 16/17-**

**Accrington & Rossendale College**

**Tuition Fee Strategy 2017/18**

**Further Education Provision**

# Introduction

The college revises its fee strategy for Further Education provision annually. The objectives of the strategy are to ensure:

* We can compete effectively with other providers
* We can increase our market share
* We can maximise overall fee income
* We can maintain accessibility to education for our learners

These objectives support the following college strategic aims:

* To maintain financial stability
* To increase participation from our community and add value, economically and socially

In the current environment, there is a need to be more commercially aware and driven and develop our understanding of changing markets. In order to achieve our aims, we need to establish a framework with clear guidelines, outlining the general fees pricing policy of the college, whilst allowing the flexibility to be proactive and reactive to any changes in market conditions.

A separate strategy exists in respect of fees charged for Higher Education provision

# Summary:

This information may change as the funding rules are updated and amended, however it is not expected to change significantly. The funding matrix (appendix 1) will be updated when the 2017/18 Funding Guidance is published.

The funding rules issued by the Education & Skills Funding Agency (ESFA)confirm that where a learner is fully funded by the agency, the College must not make compulsory charges relating to the direct costs of delivering a learning aim. This would include charges for the following:

* Administration, registration, assessment, materials or examination costs (where the learner cannot achieve their learning aim without them).

It can include charges for the following:

* Identification passes, uniforms, tools, trips and visits and material costs that are not a central part of the curriculum (where the learner can achieve their learning aim without them).

This applies to all learners aged 16-18, both classroom based and apprenticeships and certain categories of adult learners that are entitled to full funding from the funding agencies as detailed in the table at appendix 1.

There is no ESFA funding available for learners aged 19 or above with the exception of learners aged 19-23 studying their first full level 3 qualification. Learners can access Advanced Learner Loans (ALL) which are available for specified full level 3,4,5 and 6 programmes. Advanced Learner Loans are between £300 (minimum loan) and the fully funded rate (maximum loan). The College can choose to charge more or less than these amounts.

Apprenticeships funding has changed for 2017/18.

Funding Bands for each apprenticeship framework/ standard have been set by the ESFA and are used as the basis for fee levels charged by the College.

The funding sources are determined as follows:

* Employers with fewer than 50 employees will be fully funded by the ESFA for apprentices aged 16-18 or 19-24 with an EHCP plan. For all other apprenticeships the ESFA will co-invest 90% of the fee (up to the ESFA agreed funding band maximum). The employer will be expected to pay the balance.
* Employers with annual payroll costs in excess of £3m pay a levy to the government. This levy contribution plus a 10% top up from the government is then available to be used to fund any apprenticeship provision the employer requires (through the Digital Apprenticeship Service – DAS).
* For all other employers the ESFA will co-invest 90% of the fee (up to the ESFA agreed funding band maximum). The employer will be expected to pay the balance.

All other adult learners are entitled to co-funding from the funding agencies which is set to remain at 50%. There is an expectation that the College will collect the remaining 50% fee from the learner or their employer. The college can choose to charge more or less than these amounts.

The College also delivers courses that are not entitled to funding from the funding agencies. The College will collect 100% of the fee from the learner or their employer. It is expected that the fee charged will cover the costs of delivering the course and make a significant contribution to the college overheads.

# College Approach

## 3.1 Fees

The charging of fees is in line with the ESFA Funding Guidance as summarised above. The college will charge an inclusive fee for 2017/18 covering tuition, registration and examination and all other direct costs associated with a course to maximise income from the funding agencies and fees.

It is the responsibility of Heads of Division (HoD) to set the fees for planned courses in line with the guidance above whilst taking into account:

* + Labour Market Information (LMI)
  + Local needs
  + Competitors
  + Progression
  + The types of learners involved
  + The relative costs of delivery
  + ‘In kind’ contributions from employers such as use of their premises or donations of materials

Where fees are set below the assumed fee contribution, approval must be given by the Director of Finance

Tuition fees charged by our sub-contractors will be agreed as part of the contractual negotiations.

## 3.2 Helping Learners and Employers to pay

* The college recognises that some learners may have difficulties meeting the cost of their course, which may present a barrier to learning.
* The college will offer payment instalment plans for many courses, and this information will be made available to learners on enrolment
* The system of Advanced Learner Loans will allow many learners to defer the costs of their course. Where this is available, the learners will be made aware of it at enrolment.
* The college also operates a ‘Principal’s Discretion’ policy for the most disadvantaged learners. This allows the Head of Business Services to approve the waiving of part or all of the course fee.
* When working with employers we will look to develop the most commercially attractive package for them. This will often include a combination of fully funded, co-funded and ‘full cost recovery’ activity. We will look to secure the appropriate blend of fee and ‘in-kind’ contributions from employers.

## 3.3 Charges levied to learners who withdraw from their course

* There is a clear college commitment to recruit with integrity and to support all learners to complete and achieve their learning aim.
* Funding for all eligible adult learners is now based on the time the learner remains on programme.
* Therefore, based on a pro rata calculation, the college will only seek to recover fees for the element of a learner’s programme they have attended.
* An admin fee may be payable.

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| 2017/18 Funding Matrix | | | | |
| 2017/18 Funding Matrix | ESFA | | | |
| 16-18 year olds | Unemployed on Active Benefits: JSA, ESA WRAG, \*Universal Credit. +Self-Dec - check aim is ASB funded | 19-23 year olds | Classroom Based 24+ |
|  |
| GCSE English Language & Math (must not already have Grade A\*-C/ Grade 4 or higher) | Fully Funded | Fully Funded | Fully Funded | Fully Funded |
| FS English & Math up to Level 2 | Fully Funded | Fully Funded | Fully Funded | Fully Funded |
| ESOL | Fully Funded | Fully Funded | Co-Funded | Co-Funded |
| Progression Funding  Provision to progress to a level 2:  Entry, Level 1 and Level 2 (not full) | Fully Funded | Fully funded all ages  with or without a level 2 | Fully Funded  without a Level 2 | Co- Funded with or without a Level 2 or above |
| Co- Funded with a Level 2 or above |
| Full Level 2 | Fully Funded | Fully funded all ages  with or without a level 2 | Fully Funded (first full) | Co- Funded with or without a Level 2 or above |
| Co- Funded with a Level 2 or above |
| Full level 3 | Fully Funded | Fully Funded (first full level 3)  Aged 19-23 only | Fully Funded (first full) | Loans Funded |
| Loans Funded with a Level 3  Aged 19-23 | Loans Funded with a Level 3 |
| Loans Funded Aged 24+ |
| Level 4, 5, 6 | Fully Funded | Loans Funded Aged 19+ | Loans Funded Aged 19+ | Loans Funded Aged 19+ |
| Apprenticeship | Refer to Apprenticeship Reforms for Employer Fees (LEVY) | | | |
| Traineeships – must be unemployed or earn less than £330 pm | Fully funded without a first full level 3 | Fully funded without a first full level 3 Aged 19-24 | Fully funded without a first full level 3 Aged 19-24 | Not Available |

**\*Universal Credit and Earn less than £330 per month and are in one of the following groups:**

**All Work Related requirements Group / Work Preparation Group / Work Focused Interview Group**

+Self Dec - Other state benefit (not listed above) **and** Earn less than £330 per month **and** are taking the course to gain the skills to enter employment **must complete a self-declaration form** available from Info+