

# Tuition Fees Policy

## 2019/20

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## Summary of Changes from 2018/19 Policy

|                                        |                                                                                                                                                     |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Page 5 – 5.4 – Materials Fees:         | We have removed the Central Material fee exemption for full-time learners in possession of an EHCP                                                  |
| Page 6 – 5.6 – EHE/School Links:       | Rate for School cohorts for bespoke programmes to £8.00 per hour                                                                                    |
| Page 7 – 6.1 – Overseas Learners:      | We have updated the percentage deposit required when applying for a Student Visa to reflect our individual approach to Agents and Private Students  |
| Page 7 – 6.3 – Apprenticeships:        | Percentage contribution payable by non-levied Employers updated to 5%                                                                               |
| Page 8 – 6.7 – Staff Development:      | Section updated to reflect that staff may be required to re-pay course costs incurred if they leave within 2 years of completion                    |
| Page 9 – 8 – Fees Collection Policy:   | Section updated to reflect a £20 charge to learners whose card payment fails                                                                        |
| Page 9 – 9.2 – Apprenticeship Refunds: | Percentage contribution payable by non-levied Employers updated to 5%                                                                               |
| Page 15 – Appendix B:                  | Co-funded delivery available to Asylum seekers who do not meet residency criteria removed                                                           |
| Page 17 to 19 – Appendix C:            | Updated to reflect slight change in ESFA wording and to acknowledge that the college will be required to itemise costs to evidence management fee % |
| Page 20 – Appendix D:                  | Refund examples updated to reflect 5% contribution of non-levied Employers                                                                          |

## Chronology of Version Adjustments in Year

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## 1. Introduction

In accordance with the College's Financial Regulations and Articles of Government, the Governing Body is required to approve the tuition fee policy for each academic year. The fee assumption for 2019/20 will be 50% of the base funding rate.

The sector continues to encourage learning delivery for adults that is flexible and designed to meet labour market need, resulting in a competitive market for part-time adult courses at reduced rates. Accordingly, the policy allows Senior Managers some flexibility in adjusting fees in year in order to respond to market forces or to generate additional activity.

This policy applies to learners enrolling on study programmes or qualifications (including qualifications that last for 2 years but not HE qualifications) starting in 2019/20.

## 2. Fee Structure

Tuition fees have traditionally been calculated in-line with recommended fee rates specified nationally. This is calculated as a percentage (50% in 2019/20) of the base funding rate value of a qualification as specified on the Learning Aims Reference system (LARS).

As such, a programme delivered in 100 hours but which has a funding value equivalent to 200 hours will be charged the fee for 100 hours of time rather than the qualifications notional value. ESFA co-funded fees are set out in Appendix A based on £7.00 per GLH.

In some circumstances the rate will differ for individual courses to reflect market forces and Department Heads have the capacity to provide a case for an adjusted fee, based on the calculation above, where market circumstances allow for an increase or reduced fee. This is requested for, moderated and approved using a fee calculator designed internally.

## 3. General

College fees are made up of several elements: tuition fees, awarding body registration fees, examination or certification fees and other course related costs. In addition, certain courses require learners to purchase special equipment, materials, uniforms, etc., or to pay for educational trips, or residential elements of their course. This equipment, material, uniform, etc. when paid for by the learner becomes their property at the end of the course.

College fees are payable on enrolment and are payable for the duration of the qualification either directly or by instalments. College fees and examination fees are normally collected at enrolment, except where a learner is being sponsored (when an invoice is sent to the sponsor on enrolment which requires written confirmation from the sponsor) and for certain examination fees where the decision on which examination is to be sat is taken after some weeks of tuition.

Certification fees due to be paid by the learner should be paid before the learner is entered for examination/assessment. However, the College will not withhold certification where fees are not paid.

#### 4. Advanced Learning Loans

All learners aged 24 or over on August 1st and wishing to study a level 3, 4, 5 or 6 Further Education (FE) qualification, or aged 19+ as at August 31 in the 1st study year and not studying a first and full level 3 Further Education (FE) qualification designated with legal entitlement, will either have to pay for the course / programme in full or apply for an Advanced Learning Loan from the government via the Student Loans Company.

The loans are constructed in such a way that the maximum value the college will receive from the loan will be the fully funded value that is specified in the LARS for AEB qualifications. If the college wishes to charge more than the qualification value, then this will be a charge made directly to the learner.

It is worth noting that a learner could be funded for a programme of study by different means e.g. a level 3 qualification via a loan, a GCSE via public funding and a full cost qualification.

The college will set the fee for these learners based on the LARS value but there are a small number of loan values on the LARS that are “priced” very high due to a high weighting factor. Department Heads can request an adjustment of the loan amount based on market forces as part of the curriculum planning process.

Learners who intend to commence a qualification funded via an Advanced Learning Loan will receive a Learning and Funding Information Letter prior to enrolling on their course. The college can only make learners aware of loan availability and encourage them to obtain independent advice and guidance about suitability of a loan. Learners must ensure that they make their loan application as soon as they have their Learning and Funding Information letter.

On enrolment, learners will be provided with an invoice for their course. If their loan is approved, the invoice will be apportioned to the loan funding. Where a loan is yet to be approved, the invoice will be held as a debt against the learner and they will sign an enrolment form to state that they understand that the fee is a financial liability to them until the loan is fully approved. If by 8 weeks from the enrolment start date, the learner has still not had confirmation of loan approval,

the college will review the learner's place on the course and future attendance will be dependent on the agreement of an instalment plan to cover ALL fees and any bursaries previously made available.

If a learner withdraws beyond 8 weeks from their start date, they will be liable for the balance of any outstanding fees. Extenuating circumstances will be reviewed on a case-by-case basis.

## 5. Standard Tuition Fees 2019/20

For FE learners, it is currently expected that learners who are part funded, or their employers, will contribute towards the total income for the course based on the rates detailed in Appendix A.

### 5.1 Full-time FE (16-18)

Learners aged 16-18, studying qualifications for which the College is claiming Education Skills Funding Agency (ESFA) funding are not required to pay for tuition, registration, materials essential to their course or examinations fees.

Learners who are 18 at the start of a course spanning two years are not required to pay tuition, registration, or examination fees in the second year of their programme. An additional material fee may be charged.

### 5.2 Full Time Course (19+ Learners)

Full-time course fees for learners aged 19 or over on 31 August prior to the commencement of the course who are not fully funded are payable in full or through agreement of an instalment plan.

Any learners required to pay a fee in the first year of studying an additional level 3 qualification within a full-time programme of study may be eligible for an Advanced Learning Loan to cover the cost of the level 3 qualification. They will be charged individually for the remainder of the qualifications within their programme of study, where government funding is unavailable. This could be qualifications such as industry-specific short courses or courses designed to meet regulatory requirements.

As the majority of Level 3+ programmes for 19+ learners are made up of one Level 3+ qualification plus functional skills the learner will not have an additional tuition or exam fee but may have a material fee.

The fee for any full-time course for a learner aged 19 in 2019/20 will be determined by the calculation specified in Appendix A. This covers access to services such as tutorial.

### **5.3 Additionality**

Any additionality which is relevant to the main programme of study, as pre-defined and approved by the Head of Department, in conjunction with the Senior Management Team, will not attract additional administration fees. These courses are recorded on the College course schedule as an “Additional Module” to main programme.

Any additional course which is not relevant to the main programme of study is fully charged. Learners aged 19 plus and not fully funded would have to pay for an additional module based on the infill rate of £7 per GLH

### **5.4 Materials Fees**

For fully funded learners, there will be no charge made for materials directly related to completing their course but a fee will be charged for optional enrichment activities, uniforms and materials that can be taken away by the learner when they leave or complete their study programme<sup>1</sup>.

A central material fee of £35.00 is charged to all students on full-time programmes of study, unless you are studying a Higher Education course with a partner University. This covers the provision of a Student ID Card, administration, open access to the internet via Wi-Fi across the site for all devices, full use of the college Learning Resources Centre, print credit, use of the gym and free car parking.

To maximise the benefit to learners some vocational areas offer specialist equipment that is not a specific requirement of the course but can assist in further development outside their time at the College.

Full-time learners using an Advanced Learning Loan to pay for their course will be charged the maximum funding value for their course, so will not be charged a central material fee.

Elected home-educated (EHE) learners undertaking a course which does not exceed 539 GLH will not be required to pay the central material fee.

### **5.5 Part-time Courses**

Fees are payable by the individual at the time of enrolment either in full or via an agreed instalment plan or, in the case of learners sponsored by an employer or other organisation, by written confirmation from the sponsor at the time of enrolment.

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<sup>1</sup> Material fees are charged for uniforms, materials and equipment that the learners take away with them after the course. Bursaries may be available to financially support learners with a contribution towards material fees and uniforms. Essential materials and equipment will be available on site to enable the learner to study the qualification.

Learners aged 16-18 are exempt from part-time tuition fees, awarding body registration and examinations fees but are not exempt from fees for courses designated as full cost, having been developed to meet the specific needs of industry and which are not eligible for funding.

## **5.6 Elected home-educated (EHE) Learners under 16 and School Link Provision**

All enrolments of students aged under 16 must be directed via the Student Services Team and will be approved by the Assistant Principal (teaching and learning) following the protocols for dealing with any enquiry.

EHE learners, i.e. learners NOT on the school roll; will be funded by the ESFA 16 – 19 funding methodology. EHE learners will be undertake BKSB and risk assessments prior to enrolment. EHE learners will undertake a programme of study which complements their home education and will not exceed 539 GLH.

It should be noted that learners accessing this provision may still be subject to material fees as certain courses require learners to purchase special equipment, materials, uniforms, etc., or to pay for educational trips, or residential elements of their course. This equipment, material, uniform, etc. when paid for by the learner becomes their property at the end of the course.

For all provision offered to individuals from a school roll, the college currently aims to base fees for under 16s on what would have been the full Funding Agency national rate had the learner been eligible for ESFA funding. This policy is both logical and fair in that it reflects the ESFA's expectation of cost of delivery, and compensates for the resources being diverted from a learner funded via ESFA. It is, therefore, proposed to maintain the existing policy. The same policy will be adopted for post 16 learners who are enrolled at other educational establishments, but pursuing part of their studies at the College.

For cohorts of learners referred from schools for a bespoke programme, the rate agreed will be £8.00 per learner per hour with a minimum value of £80 per hour.

In the case for non-ESFA funded delivery, additional learning support will be individually calculated based on the learner need on a marginal basis reflecting LSA staffing costs and this will be agreed prior to enrolment.

## **5.7 Higher Education Funding Council (HEFCE) Indirectly Funded Provision**

Fees for full-and part-time learners are agreed annually with the relevant Universities.

Information for financial support for full and part-time learners entering HE in 2019/20 is available through <https://www.gov.uk/student-finance>



## **5.8 Professional Courses**

There are some professional courses for which the College sets fees at the market rate. The College proposes to continue to use the fees implied by the College Policy as a minimum and to allow individual curriculum areas some additional flexibility in charging higher fees where market conditions allow, and/or where not doing so would prejudice the course being offered. This would apply to courses such as AAT and CMI.

## **5.9 Adult Education Courses**

Fees for Adult Leisure Education courses are set with the primary objective of covering the overall variable costs incurred from their operation. A contribution to overheads is secured to ensure administrative staff and other costs incurred in programme delivery are fully covered. All courses are priced individually.

# **6. Non-Standard Fees**

## **6.1 Overseas Learners**

International fees will be informed by the co-funded rate but be respectful of market conditions. Payment in full is required prior to commencement of all full time courses, unless negotiated differently by the International Department.

Trusted Agents with whom the college has an existing relationship will be charged a 10% deposit when applying for a Student Visa, prior to the provision of a CAS (Confirmation of Acceptance of Studies) application from the College to the UKBA.

For private students making a direct referral a 25% deposit will be necessary when applying for a Student Visa, prior to the provision of a CAS (Confirmation of Acceptance of Studies) application from the College to the UKBA.

The Department Head can also put in a request to the Principal for an adjustment of an International course fee where a specific learner has extenuating circumstances. These will be dealt with on a case-by-case basis.

## **6.2 Work Based Learning (WBL) Funded Learners / External Agents (contracted in)**

Contracted in (subcontracted by another provider to the college) will be underwritten by a Service Level agreement (SLA) for contracted in agreed by both parties.

### **6.3 Apprenticeship Funded Learners**

Levy paying Employers now contribute to Apprenticeship learning via digital account or via government co-investment.

For non-levied Employers (with annual pay bills less than £3 million) 95% of the costs of training and assessment is paid by the government and a 5% contribution is payable by the employer.

Employers will receive 100% of the funding from government where they have less than 50 employees and recruit an apprentice aged 16-18 or recruit those aged 19-24 in care / in possession of an EHCP.

### **6.4 Full Cost Courses and Tailored Direct College Provision**

Fees for these courses will be based on the co-funded rate but will continue to be determined on an individual basis based on targets related to employer engagement and taking account of the costs of delivery.

All courses will be reviewed on an individual basis using a curriculum approval process costing delivery and the local market, to ensure that pricing is competitive and achieving target contribution for the College.

### **6.5 Late Enrolments**

Learners joining a course late are subject to the full course fee if they satisfy entry requirements

### **6.6 GCSE Resits**

Learners requesting ONLY a resit will be required to pay the exam fee amount in full as this is not fundable whereas learners who retake the GCSE to improve the grade above grade "3" or 'D' will undertake the entire study programme within college and be fully fundable and not required to pay the exam fee.

Learners who undertake GCSE study at another institution will not be able to undertake a resit of the exam within the college and should be referred back to the institution where the study was undertaken.

### **6.7 Staff Development**

College courses identified as staff development are defined as qualifications required by staff in order to develop within a current or future role and are subject to approval under the Staff Development budget by the Human Resources Team.

These courses will be agreed by the member of staff and their line manager as relevant to the role and an application for approval will be made via an SD1, stating

the title, duration and cost of tuition, registration, examination (if applicable) and certification costs of the course.

Where a course is relevant to a large number of staff, it may be agreed that the cost of the course be ring-fenced to registration, certification and examination (if applicable). Ring-fenced courses will be agreed by the Human Resources Team and Senior Management.

Staff are eligible to undertake a course as an 'infill' under staff development where a class is running with space, is already financially viable and there is no learner waiting list. These courses will be agreed by the member of staff and their line manager and an application for approval will be made via an SD1, stating the title and duration and requesting a space as an in-fill. Only the cost of registration, examination (if applicable) and certification fees will be charged to the Staff Development budget and will be subject to approval as an infill by the Human Resources Team

Where a staff member leaves the College within two years of completing a qualification or course the College may require the individual to pay back the full cost of the training. This is set out in the College's SD1 terms and conditions when a staff member submits their application.

## 7. Fee Remission

A summary of fee remission policies for 2019/20, including ESFA remission categories, is included as Appendix B. Learners following courses where there are no concession arrangements will be expected to pay the full fee advertised for the course.

## 8. Fee Collection Policy

Payment of learner fees by instalment will only be considered where the total amount exceeds £280 (this could be a combination of tuition, examination or material fees) and the course is longer than two terms. The initial payment will be 25% followed by three equal payments for the balance. There is a small additional fee chargeable of £10 with the first payment. Queries regarding payment by instalments should be directed to the Finance Office and in some circumstances instalments over a slightly longer period may be agreed.

Payment of employer fees by instalment will only be considered in exceptional circumstances and where the total amount exceeds £500. The employer will need to make an initial payment of 25% followed by three equal payments for the balance. There is a small administrative fee chargeable of £10 with the first payment to cover administration costs. Queries regarding payment by instalments should be directed to the Finance Office.

Apprenticeship employer fees will be documented on a Statement of Commitment. This documentation will be signed by the employer before the learner is enrolled and will clearly outline overall employer contribution (5% of the negotiated rate if not eligible for full funded provision) and fee schedule. This document will form part of the employer, learner, provider contract required by the Education and Skills Funding Agency. For further details on payment schedules, see Appendix D.

The College will use appropriate debt recovery procedures where learners breach the terms of the instalment agreement and may exclude such learners from the College. All learners who are expected to pay a fee for their course must agree a payment plan for their fees prior to enrolment being completed and attendance commencing.

The College reserves the right to charge a fee of £20 for any failed card payments.

As a last resort, the College will use a debt recovery agency. The costs incurred from their use will be added to the learner's liability and interest will also be charged.

## 9. Refund Policy

### 9.1 Refunds for funded classroom or full-cost classroom/work-based courses

Refunding of fees will generally only occur when a course does not recruit viable numbers, or closes as a result of a decision by the College. Where a learner is unable to continue their studies due to ill-health, refunds will only be given on receipt of independent medical evidence explaining the learner's inability to continue attending. The Principal can authorise refunds where there have been legitimate concerns raised about a course and its operation. Refunds will be pro rata to the period of the course attended subject to approval by the Principal.

On courses where learner numbers are low one of three options will be implemented with the approval of the Senior Management Team:

- a) The course may be closed with full refund of fees (where paid)
- b) A reduced programme and fee may be implemented
- c) Two or more courses may be taught together.

### 9.2 Apprenticeship Refund Policy

Employers will be asked to pay a holding fee of 20% of their 5% employer contribution, as they organise the recruitment of an Apprentice. If after paying the initial 20% of the employer contribution (holding fee) an Apprentice is not enrolled with the employer, a full refund will occur.

If a learner is enrolled onto an apprenticeship, their provision will be split into 3 census points in the first year. After each census point is reached, a refund will no longer be available for that proportion of the provision, please note the 20% 'holding fee' will be retained in any event.

For employer contributions of £500 or less, if a learner remains on programme for 10 weeks or longer, there will be no refund as upfront costs will have been incurred.

For employer contributions of £500 or more, if a learner remains on programme for 9 months or longer, there will be no refund as upfront costs will have been incurred.

Examples are detailed in Appendix D.

## 10. Subcontractor Fees

Some specialised provision that is not delivered by the college is catered for with the use of carefully selected specialist providers in a subcontract arrangement.

A proportion of the fee is retained by the college to manage subcontractors and in some circumstances support the partner in partial delivery of qualification units / elements. This amount is determined by the level of management and therefore cost the subcontractor requires. This currently ranges from 10% retained from a partner that delivers the full qualification with minimal support required to 20% where a significant part of the programme is delivered by the college.

The details of each contract are available from the Principal's Office and our approach is in Appendix C and published on the college website

Providers in partnership with the college are expected to adhere to the college fees policy. Any variation to this will need to be documented within the contract between the college and the subcontractors.

## 11. Fee Waiver

The waiver of chargeable fees is only allowed in agreement with the Principal or by a member of SMT to whom the authority has been delegated.

## 12. Monitoring and Review

Policy to be reviewed annually and approved by the Senior Management Team prior to approval by Corporation.

Fee rates to be revised annually in March after publication of ESFA Funding Guidance for the forthcoming year.

Fee rates to be compared with comparable institutions on an annual basis.

## Appendix A – Fees Calculator

The Isle of Wight College – Standard Tuition Fees 2019/20 (Co-funded rate) based on a charge of £7.00 per guided learning hour

| GLH        | Tuition Fee £ |  | GLH        | Tuition Fee £ |
|------------|---------------|--|------------|---------------|
| 10 to 19   | 70            |  | 310 to 319 | 2170          |
| 20 to 29   | 140           |  | 320 to 329 | 2240          |
| 30 to 39   | 210           |  | 330 to 339 | 2310          |
| 40 to 49   | 280           |  | 340 to 349 | 2380          |
| 50 to 59   | 350           |  | 350 to 359 | 2450          |
| 60 to 69   | 420           |  | 360 to 369 | 2520          |
| 70 to 79   | 490           |  | 370 to 379 | 2590          |
| 80 to 89   | 560           |  | 380 to 389 | 2660          |
| 90 to 99   | 630           |  | 390 to 399 | 2730          |
| 100 to 109 | 700           |  | 400 to 409 | 2800          |
| 110 to 119 | 770           |  | 410 to 419 | 2870          |
| 120 to 129 | 840           |  | 420 to 429 | 2940          |
| 130 to 139 | 910           |  | 430 to 439 | 3010          |
| 140 to 149 | 980           |  | 440 to 449 | 3080          |
| 150 to 159 | 1050          |  | 450 to 459 | 3150          |
| 160 to 169 | 1120          |  | 460 to 469 | 3220          |
| 170 to 179 | 1190          |  | 470 to 479 | 3290          |
| 180 to 189 | 1260          |  | 480 to 489 | 3360          |
| 190 to 199 | 1330          |  | 490 to 499 | 3430          |
| 200 to 209 | 1400          |  | 500 to 509 | 3500          |
| 210 to 219 | 1470          |  | 510 to 519 | 3570          |
| 220 to 229 | 1540          |  | 520 to 529 | 3640          |
| 230 to 239 | 1610          |  | 530 to 539 | 3710          |
| 240 to 249 | 1680          |  | 540 to 549 | 3780          |
| 250 to 259 | 1750          |  | 550 to 559 | 3850          |
| 260 to 269 | 1820          |  | 560 to 569 | 3920          |
| 270 to 279 | 1890          |  | 570 to 579 | 3990          |
| 280 to 289 | 1960          |  | 580 to 589 | 4060          |
| 290 to 299 | 2030          |  | 590 to 599 | 4130          |
| 300 to 309 | 2100          |  | 600 to 609 | 4200          |

**ESFA Adult Education Funding Contributions**
**2019/20**
**Age is based on start date, NOT on 31 August**

| <b>Provision</b>                                                                                                       | <b>19-23</b>                                      | <b>24+ Unemployed</b> | <b>24+ Other</b> |
|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------|------------------|
| English and maths, up to and including level 2 *<br>(must be a qualification with English and maths legal entitlement) | Fully funded                                      | Fully funded          | Fully funded     |
| Learning at entry or Level 1 to progress to level 2<br>(learner without full level 2)                                  | Fully funded ^ (up to lvl 1)                      | Fully funded          | Co-funded +      |
| Full Level 2 *<br>(must be a qualification with legal entitlement)                                                     | Fully funded (if FFL2)                            | Fully funded          | Co-funded +      |
| Learning aims up to and including level 2<br>(learner has already achieved a first full level 2 or above)              | Fully funded (unemployed)                         | Fully funded          | Co-funded +      |
|                                                                                                                        | Co-funded +                                       |                       |                  |
| Learning aims up to and including level 2<br>(learner has not achieved a first full level 2, or above)                 | N/A                                               | Fully funded          | Co-funded +      |
| Full Level 3 *                                                                                                         | Fully funded (if FFL3)                            | Loan-funded           | Loan-funded      |
|                                                                                                                        | Loan-funded (has FFL3)                            |                       |                  |
| Traineeship#                                                                                                           | Fully funded (including eligible 16-24 year olds) | N/A                   | N/A              |
| ESOL learning up to and including level 2                                                                              | Fully funded (unemployed)                         | Fully funded          | Co-funded +      |
|                                                                                                                        | Co-funded +                                       |                       |                  |

\* Checks LARS for valid entitlement category: Legal Entitlement-English and Maths, Legal Entitlement-Level 2, Legal Entitlement at Level 3

+ Low Wage flexibility may apply (evidence seen of annual gross salary less than £16,009.50 – ILR code with LDM 363)

^ Checks LARS as qualification is only eligible at entry 3 or level 1 from local flexibility.

# If a qualification is being offered as part of the flexible element of Traineeship, funding for this must be considered dependent on age and level.

## Definition of Unemployed

For funding purposes a learner is defined as unemployed if **one or more** of the following apply:

1. They receive **Jobseeker's Allowance (JSA)**, including those receiving National Insurance credits only
2. They receive **Employment and Support Allowance (ESA)**
3. They receive **Universal Credit**  
**and** their earned income from employment (disregarding benefits) is less than £338 a month (learner is sole adult in their benefit claim) or £541 a month (learner has a joint benefit claim with their partner)
4. They are **released on temporary licence (RoTL)** and studying outside a prison environment and not funded through the Offenders' Learning and Skills Service (OLASS)
5. Providers may also use their discretion to fund other learners if **all** of the following apply:
  - i. The learner receives **other state benefits** (not listed above) **and** their earned income from employment (disregarding benefits) is less than £338 a month (learner is sole adult in their benefit claim) or £541 a month (learner has a joint benefit claim with their partner)
  - ii. The learner wants to be employed or progress to more sustainable employment and you are satisfied that the learning is directly relevant to their employment prospects and the local labour market needs

## Learners in receipt of low wage

You may fully fund learners, who are employed and would normally be co-funded. You must be satisfied the learner meets both of the following:

1. eligible for co-funding
2. earns less than £16,009.50 annual gross salary

You must have seen evidence of the learner's gross annual wages in these circumstances. This could be a wage slip within 3 months of the learner's learning start date, or a current employment contract which states gross monthly/ annual wages. Please note this is not an exhaustive list, but must support your decision to award full funding to an individual who would normally be eligible for co-funding – noting the document that you have reviewed.



## Appendix B – Fee Remissions

| <b>ESFA Remission</b>                                                                                                                                                                                                                                                                                                 | <b>Discount % of Tuition &amp; Exam Fees</b>                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Learners aged 16 - 18 full-time and part-time (Inc. workplace NVQs, supported internships and traineeships) <sup>2</sup>                                                                                                                                                                                              | 100%                                                                                           |
| Learners aged 16 – 25 who have an Education, Health and Care Plan (EHCP)) and are under 25 as at Aug 31 2019                                                                                                                                                                                                          | 100%                                                                                           |
| All ages - Maths & English GCSE/Functional Skills/Basic Skills (eligible qualifications up to Level 2, designated as stepping stone qualifications nationally) who have not attained GCSE grade 4 – 9 or A* - C                                                                                                       | 100%                                                                                           |
| ESOL qualifications up to and including Level 2 for learners defined as unemployed (see Appendix A)                                                                                                                                                                                                                   | 100%                                                                                           |
| Traineeships for learners aged 19-24 (19 as at Aug 31, 24 as at Aug 1 <sup>st</sup> based on the start academic year of their programme) <sup>2</sup> .                                                                                                                                                               | 100%<br>(where full Level 3 not achieved)                                                      |
| Learners aged 19 – 23 or 24+ on their first day of learning, defined as unemployed, undertaking entry or Level 1 under local flexibility <sup>3</sup> who do not have a first full Level 2 under legal entitlement <sup>4</sup> and are planning to progress onto a full Level 2 qualification with legal entitlement | 100%                                                                                           |
| Learners aged 19 to 23 on their first day of a Level 2 qualification with legal entitlement <sup>4</sup> , who do not already have a first full Level 2 qualification                                                                                                                                                 | 100%                                                                                           |
| Learners aged 19 to 23 on their first day of a Level 3 qualification with legal entitlement <sup>4</sup> , who do not already have a first Level 3 (Adults aged 19 but under 24 on August 1 <sup>st</sup> - see criteria) <sup>1</sup>                                                                                | 100%                                                                                           |
| Offenders in custody who are released on temporary licence and are aged 19-23 on their first day following learning outside the prison environment that isn't funded through OLASS (see criteria for Level 3+ provision) <sup>1</sup>                                                                                 | 100%                                                                                           |
| Refugees are eligible if they fit one of the discount categories – proof of status and leave to remain would need to be reviewed against criteria <sup>5</sup>                                                                                                                                                        | 100%                                                                                           |
| Asylum seekers who have legally been in the UK pending consideration of their claim by the Home Office for longer than six months or Asylum seekers refused asylum but eligible and granted support under Section 4 of the Immigration and Asylum Act 1999 <sup>5</sup>                                               | 100%                                                                                           |
| Individuals aged 19 or over and defined as unemployed (see Appendix A) and in receipt of either Job Seekers Allowance, Employment Support Allowance or Universal Credit                                                                                                                                               | 100% funding on qualifications up to and including Level 2 (where first full level 2 achieved) |
| Individuals aged 24 or over and defined as unemployed (see Appendix A) and in receipt of either Job Seekers Allowance, Employment Support Allowance or Universal Credit                                                                                                                                               | 100% funding on qualifications up to and including Level 2 (without first full level 2)        |

|                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| Provider discretion to allow individuals aged 19 or over on their first day of learning who receive <b>other state benefits</b> and meet income criteria (see Appendix A) to access non-regulated aims, qualification units or other learning aims available for Adult Skills funding that will help them to enter employment and meet local labour market needs | 100% funding on qualifications up to and including Level 2 (where first full level 2 achieved)                |
| Learners aged 19 to 23 with a full level 2 or 24 and over on their first day of learning, undertaking a qualification below Level 3 and marked on the Learning Aims Reference system as available for Adult Skills funding where employed and meeting low wage criteria (see Appendix A) with appropriate evidence supplied                                      | 100% funding                                                                                                  |
| All learners aged over 19 on August 1 <sup>st</sup> or turning 19 on August 31 <sup>st</sup> studying a second level 3 or at Level 4 and above in Further Education (FE) and are in receipt of a government loan via the Student Loans Company.                                                                                                                  | Maximum loan fee applies unless otherwise advertised (will be claimed from Government based on participation) |
| <b>Co-funded Provision – Tuition Fees in Appendix A apply – where none of the above apply</b>                                                                                                                                                                                                                                                                    |                                                                                                               |
| ESOL qualifications up to and including Level 2 for learners aged 19 or over on their first day of learning and in employment                                                                                                                                                                                                                                    | 50% - Fees in Appendix A apply unless otherwise advertised                                                    |
| Learners aged 24 or over on their first day of learning, not defined as unemployed, undertaking entry or Level 1 under local flexibility <sup>3</sup> to progress to Level 2 with legal entitlement                                                                                                                                                              | 50% - Fees in Appendix A apply unless otherwise advertised (without first full level 2)                       |
| Learners aged 24 or over on their first day of learning, not defined as unemployed, undertaking Level 2                                                                                                                                                                                                                                                          | 50% - Fees in Appendix A apply unless otherwise advertised (without first full level 2)                       |
| Learners aged 19 – 23 with a full level 2 or 24+ on their first day of learning, not defined as unemployed or low wage, undertaking Level 2                                                                                                                                                                                                                      | 50% - Fees in Appendix A apply unless otherwise advertised                                                    |
| <b>Other provision</b>                                                                                                                                                                                                                                                                                                                                           |                                                                                                               |
| All learners at the start of an apprenticeship.                                                                                                                                                                                                                                                                                                                  | Please see Appendix D                                                                                         |
| Staff Training as agreed by HRD and approved with an SD1                                                                                                                                                                                                                                                                                                         | 100% - Please refer to point 6.7 of policy and related HRD policy                                             |
| Staff infill (staff are eligible to join a course only after last enrolment session if spaces are available, no waiting list)                                                                                                                                                                                                                                    | Published exams fees may be charged.                                                                          |
| Full cost courses/Adult Education – tailored to specific industry needs or community learning requirements                                                                                                                                                                                                                                                       | 0% - unless otherwise advertised                                                                              |
| Learners aged 19 – 23 on first day of learning on a Level 2 qualification which does not have Level 2 entitlement and the learner does not possess a first full Level 2 or above.                                                                                                                                                                                | 0% - unless otherwise advertised                                                                              |

**Note** <sup>1</sup> - Fee waivers are valid for the duration of the qualification(s). Please note that the waivers are subject to change based on Government Policies and residency criteria, participants must have been resident in the UK, EU or EEA for the last 3 years. Excluding learners aged 19+ on Aug

31 wishing to study a second full level 3 qualification, a level 3 which does not qualify for legal entitlement or Level 4+ qualification (excluding apprentices). These learners will need to pay in full or seek funding through eligibility for the government's Advanced Learning Loan scheme which is available for specific approved certificates and diplomas.

**Note**<sup>2</sup> - A supported internship is a study programme specifically aimed at young people aged 16 to 24 who have a statement of special educational needs or an EHC plan, who want to move into employment and need extra support to do so. It is subject to the same funding rules as other 16 – 18 study programmes. Traineeships are open to learners 16-24 who meet the usual residency requirements, are unemployed and have not achieved a full level 3 qualification or above. For definition of unemployed see Appendix A.

**Note**<sup>3</sup> - Local Flexibility is an eligible category giving providers discretion to meet local labour market needs if the qualification code is defined on the ESFA's Learning Aims Reference System (LARS) as available on the start date of learning.

**Note**<sup>4</sup> - Legal entitlement is an eligible category if the qualification code is defined on the ESFA's Learning Aims Reference System (LARS) as available for the start date of learning.

**Note**<sup>5</sup> - Learners claiming asylum or leave to remain will be subject to a residency check and may not be required to meet the 3-year residency criteria, subject to review of learner documentation and based on Government Policy at the time of enrolment.

## Appendix C – Subcontracting

### Supply-chain fees and charges applicable to subcontractors

#### Introduction

This policy covers all supply-chain fees and charges applicable to subcontractors, set by The Isle of Wight College for 2019/20.

#### Policy objectives

#### Our reasoning for subcontracting

The Isle of Wight College subcontracts for one or more of the following reasons:

- To capacity build
- To engage with new markets
- To ensure revenue/margin protection
- To ensure greater cost efficiency
- To maintain the delivery of niche provision

The key principles of selecting a new subcontracting partner are whether they:

- Fit with the strategic objectives of the College
- Bring positive local community benefits/widening participation (attracting learners who would not normally go to a FE college)
- Add value to the work the College does
- Complement but not compete with the existing product portfolio of the College
- Are aligned to key sectors that the College or Government has prioritised
- Have a track record of high achievement and/or progression rates
- Are willing to engage in a mutually supportive relationship built on trust and respect
- Have reputation and standing in the sector/market
- Comply with EU subcontracting regulations (OJEU).

#### Scope

This policy applies to all courses offered by subcontractors of The Isle of Wight College, as listed on the 'Declaration of Subcontractors' and the 'actual level of funding template for sub-contractor' issued annually by ESFA at a requested date.

The ESFA funding rules require that all providers create and publish a policy for subcontracting. ESFA rules state:

“Your governing body or board of directors and your accounting officer (senior responsible person) must agree your policy for delivery

subcontracting. This policy must set out your reasons for subcontracting and that all delivery subcontracting meets your strategic aims and enhances the quality of your learner offer. You must be able to confirm this by way of evidence, such as minutes of meetings and/or written sign-off”

The Isle of Wight College recognises that it holds full accountability for the delivery of the contract and this cannot be assigned to subcontractors. Both The Isle of Wight College and its subcontractors refer to the ESFA documents and any future updates in all matters regarding the delivery of the contract. Roles and responsibilities for The Isle of Wight College and the subcontractors are clearly defined from the outset of the partnership. All subcontractors are required to agree and sign a contract for the provision of training services with The Isle of Wight College.

The college commits to reporting sub-contract arrangements and subsequent updates in adherence with the ESFA’s funding and performance rules as follows:

“You must provide a fully completed delivery subcontractor declaration by the dates we will give you. This will be at least twice during the 2019 to 2020 funding year. If you do not make the declaration on time, we will suspend your payments. If you do not subcontract, you must still provide a nil return to confirm this.

You must also update your subcontractor declaration if your subcontracting arrangements change during the year.”

### **Responsibility for implementation**

The Corporation is required to agree the fees policy for The Isle of Wight College as part of its responsibilities for The College’s educational character. The Assistant Principal of Resources and Finance is responsible for providing adequate advice as the basis for the setting of fees, course costing and other related issues.

### **The policy’s contribution to improving our and our subcontractor’s quality of teaching and learning**

This policy ensures that there is openness and transparency in the fees and charges relating to subcontractors, so that when entering into a subcontracting relationship the potential partner is aware of the support services provided within the management fee. This allows the subcontractor to work with the College to improve the quality of teaching and learning.

Specific measures The College implements to ensure improving quality of teaching and learning include having sight of any quality assurance documentation, internal and external, and related action plans; lesson observations with course tutors and assessors; quality assurance monitoring visits to check course files, schemes of work etc.

### **The typical percentage range of fees retained to manage subcontractors, and how this range is calculated**

The Isle of Wight College normally charges subcontractors a management fee for a standard subcontracting agreement. This could range from 5% – 40%.

The fee is calculated to cover day-to-day management of subcontracted delivery, monitoring of learner progress, collecting and updating due diligence, ensuring audit compliance, dealing with partner queries, coordinating self-assessment processes, quality and compliance monitoring, as well as other similar services as needed.

The fee also includes administration support to process the data, ILR management, Middle and Senior Management support (working with national agencies, funding bodies, advice relating to policies, ESFA guidance, etc.), and management of funding and finances (preparation and processing of payments).

The level of support required for each subcontractor will determine the percentage management fee.

### **The reason for any differences in fees charged for or support provided to different subcontractors**

The management fee is increased if:

- The risk rating on a particular subcontractor is 'medium' or 'high' as a result of a College Risk Assessment.
- If additional/exceptional services are provided to the subcontractor, there will be a separate fee agreed to be charged above the core management fee based on usage (such as internal verification, etc.).

### **Payment terms between the College and subcontractors**

The payment terms are set out in detail in the subcontract agreement referred to above and available for potential subcontractors to view before entering into agreement with The Isle of Wight College.

In summary, subcontractors will be paid within 30 days of receipt of a valid invoice subject to meeting contractual requirements. Alternative payment conditions may operate, following discussions with the subcontractor, depending on the contract delivery model and contract delivery time.

All subcontractors will be set up as 'suppliers' on the College's finance system. The payment will be made to the subcontractor via BACS.

## **How and when the policy is communicated to and discussed with current and potential subcontractors**

This policy is discussed with potential subcontractors as part of the curriculum planning process on an annual basis prior to subcontracts being agreed.

In line with ESFA funding and performance rules, we will ensure all costs with a subcontracting agreement are individually itemised and how each cost supports the delivery of high-quality learning. The supporting documentation can be found on the links below. This policy will be reviewed in May 2020.

### **References**

- [Financial Regulations TBR June 2020](#)
- [Adult education budget \(AEB\) funding rules 2019 to 2020](#)
- [Fees and charges policy for sub-contractors](#)

## Appendix D - Apprenticeship Funding

### Payment schedules

- For a £1000 Employer contribution or less there will be 20% 'holding fee' incurred before enrolment. The remainder of the employer contribution will be expected to be paid on the start date of the learner (or same month).
- For a £1100 Employer contribution or more there will be 20% 'holding fee' incurred before enrolment. Half of the remaining employer contribution will be expected to be paid on the start date of the learner (or same month). The remainder will be expected to be paid 1 month later.

### Apprenticeship Refund – census point examples

|          | Maximum Funding band | Employer contribution | 20% Holding fee retained | Length of provision (months) | Census point 1 (month) | Census point 2 (month) | Census point 3 (month) | Month Learner withdraws (month) | Refund payable                                               |
|----------|----------------------|-----------------------|--------------------------|------------------------------|------------------------|------------------------|------------------------|---------------------------------|--------------------------------------------------------------|
| <b>A</b> | <b>£4,000</b>        | <b>£200</b>           | <b>£40</b>               | <b>16</b>                    | <b>4</b>               | <b>8</b>               | <b>12</b>              | <b>5</b>                        | No refund after enrolment – Employer contribution below £500 |
| <b>B</b> | <b>£12,000</b>       | <b>£600</b>           | <b>£120</b>              | <b>24</b>                    | <b>4</b>               | <b>8</b>               | <b>12</b>              | <b>5</b>                        | <b>£380.00</b>                                               |
| <b>C</b> | <b>£9,000</b>        | <b>£450</b>           | <b>£90</b>               | <b>22</b>                    | <b>4</b>               | <b>8</b>               | <b>12</b>              | <b>8</b>                        | <b>£216.85</b>                                               |