Qualifications and Credit Framework:  
Full Level 2

Guidance for Awarding Organisations (AOs) regarding the interim full Level 2 definition and confirmation process in the Qualifications and Credit Framework (QCF)

1. This guidance has been developed to assist Awarding Organisations to understand the criteria Sector Skills Councils (SSCs)/Standard Setting Bodies (SSBs)/Sector Bodies (SBs) will use when setting full Level 2 threshold for their sector, sub-sectors and occupations, and to identify key considerations that will need to be taken into account when designing new full Level 2 qualifications in the QCF.

2. In November 2008 the Secretary of State agreed an interim definition for full Level 2 until 31 August 2010. The interim full Level 2 definition for QCF qualifications is based on a threshold of 13 credits with SSCs/SSBs/SBs responsible for determining the content for their sectors, sub-sectors and occupations. They also have the flexibility to set the threshold higher or lower than 13 credits in accordance with their sector requirements. LSC has been remitted to disseminate this definition and to support all stakeholders in the identification of full Level 2 and to undertake monitoring and evaluation of the definition in order to inform a final definition for 2010/11 onwards.

3. As part of the implementation of the interim definition, LSC expects that SSCs/SSBs/SBs and AOs will work closely together. Collaborative working will be essential to ensure that vocational qualifications approved as full Level 2 in the QCF meet the needs of employers and learners. We expect that SSCs/SSBs/SBs will be communicating decisions on sector thresholds with Awarding Organisations to enable them to develop qualifications that can populate the QCF. LSC will continue to work with Awarding Organisations through the Awarding Organisations’ Advisory Group and has made a commitment to the Federation of Awarding Bodies (FAB) and to the Joint Council for General Qualifications (JCQ) to ensure early dissemination of SSCs/SSBs/SBs’ decisions.

4. As already stated, as part of the wider implementation of the QCF and vocational qualification reform, LSC will be using the Sector Qualification Strategy Action Plans (SQS APs) to inform funding eligibility decisions, and SSCs will advise LSC on which key vocational qualifications should be funded. In the context of full Level 2, LSC will be reviewing the funding priorities to take account of the new interim definition to ensure public funding is supporting the right provision.

1 Please note that funding rates for qualifications are determined by the input and therefore not all full Level 2 qualifications will be funded at the same rate. The funding rate is likely to differentiate between qualifications by their mode of delivery, cost and input required.
5. LSC has been remitted to monitor and manage implementation of the definition and in particular to manage affordability. LSC will therefore need to understand the changes in relation to the previous full Level 2 NQF qualifications in terms of affordability, and the way learners and employers might be affected.

6. The table below sets out key considerations that should be taken into account by SSCs/SSBs/SBs in order to meet key full Level 2 approval requirements and which AOs should also be aware of in developing new full level 2 qualifications for the QCF:

<table>
<thead>
<tr>
<th>Category</th>
<th>Considerations</th>
</tr>
</thead>
</table>
| Content and sector fit          | - The full Level 2 credit threshold for sectors, sub-sectors and occupations will be determined by SSCs/SSBs/SBs and aligned to National Occupational Standards (NOS), which will be approved/endorsed by employers. It is expected NOS will be a reference point for all provision.  
  - The full Level 2 threshold will also align with the relevant SQSs and Action Plans, therefore ensuring the skills, knowledge and understanding that provide a platform for employability in the sectors, sub-sectors or occupations.  
  - The full Level 2 credit thresholds will have to be comparable among SSCs with similar footprints, and aligned if there are allied occupations.  
  - SSCs/SSBs/SBs should consult with Awarding Organisations, and/or key employers and professional bodies, when establishing requirements for full Level 2 content and threshold.  
  - LSC will monitor information regarding predecessor qualifications in order to understand the implications for existing qualifications, and safeguard against adverse consequences such as reduction in size solely to meet the minimum full Level 2 threshold.  
  - LSC will also monitor other quality indicators - e.g. professional endorsements, quality standards obtained etc.  |
| Sufficient threshold            | SSCs have been advised that sufficient credit threshold for full Level 2 in their sector, sub-sector(s) and occupations should:  
  - Represent minimum level of competency in an occupational area.  
  - Represent appropriate number of credits, and volume of skills and knowledge to gain sustainable employment in the sector.  
  - Enable an employee to move to the next level of employment in the sector.  
  - Give a ‘licence to practice’ in a profession (where appropriate).  
  Qualifications below 13 credits should be approved only by exception, and be backed by rationale and evidence consistent with the relevant SQS and Action Plan.  
  If the threshold is set in such a way that there are qualifications that are approved as full Level 2 for all different qualification sizes – e.g. Award, Certificate and Diploma are all deemed to represent full Level 2, the SSCs will have to consider:  
  - Rationale for regarding an Award and a Certificate and a Diploma at the same level as full qualifications in one sub-sector or occupational area.  
  - Employability outcomes that justify fullness at each stage. |
- Issues regarding learner entitlement considering LSC policy of firstness (please see Annex A).
- If there are any implications for progression routes between these qualifications.

### Primary purpose

Full Level 2 qualifications will have the specified main purpose and sub-purpose as defined on the list supplied by the regulators and entered on the web-based accreditation system (WBA).

As a guide LSC would expect that all full Level 2 qualifications should be within the main purpose definition D, and the relevant sub-purpose categories as follows:

D. Confirm occupational competence and/or ‘licence to practice’:
   - D1. Confirm competence in an occupational role to the standards required;
   - D2. Confirm the ability to meet a ‘licence to practice’ or other legal requirements made by the relevant sector, professional or industry body.

It is acknowledged that there might be secondary sub-purpose fields – for example, within the purpose definition E to reflect the breadth of qualification.

**Note that not all qualifications with the purpose definition D will be automatically full Level 2. They need to be approved and aligned to SQS and NOS as previously described.**

### Portability

Full Level 2 credit threshold should ensure that qualifications are portable for the individual, including the following:

- That level of literacy, numeracy, ICT and other generic and transferable skills are in line with the NOS minimum entry requirement for that profession.
- Qualification is transferable across employers in the sector.

### Progression and employability

When designing full Level 2 qualifications it is important to consider progression routes:

- If there is a sufficient threshold to progress to Level 3.
- If further learning is needed to progress to Level 3, consider what this entails and how learners and providers might be affected (e.g. learner entitlement, appropriate information for learners).
- What kind of professional or employment related progression will be enabled.
Annex A: Funding Scenarios for Full Level 2 Qualifications

LSC Funding Model

The LSC statement of priorities for 2009/10 clearly sets out the LSC investment strategy in further education skills and training and highlights the flexibilities within the funding system to fund priorities that do not immediately lead to full qualifications. Examples of particular policy areas where this is the case is the Integrated Employment and Skills Agenda and the SME flexibilities within the Train to Gain programme.

The importance of SSCs/SBs/SSBs’ decisions about what constitutes a full qualification will be critical to ensuring that when a learner exercises their entitlement to a funded first full Level 2 qualification, it gives them the platform for employability to enter and sustain employment.

Funding is prioritised to a learner’s first full Level 2 qualification\(^2\). Any subsequent qualifications at the same level would not be automatically entitled to full public funding. The implication is that if the threshold for a full Level 2 qualification is set lower than what is deemed necessary by the sector for subsequent employment or progression opportunities, the situation could arise where an individual takes and achieves the full qualification, uses their entitlement to public funding (i.e. the course is fully funded) but then subsequently has to participate in further learning at their own expense to meet the sectors’ requirements for employment or progression into further learning.

The two examples detailed below illustrate what may happen given different scenarios arising from the SSCs/SBs/SSBs’ decision of where the threshold for a full Level 2 qualification is set. Scenario A illustrates the correct model leading to desired outcomes and aligned with LSC funding priorities, while Scenario B illustrates a model that leads to perverse consequences for learners, employers and providers and should therefore be avoided.

**Scenario A**

If a Certificate or Diploma size qualification has been set as a ‘full’ Level 2 by a SSC/SSB/SB and this is recognised to be the requirement for progression into employment, or to a full Level 3 qualification then this fits with the LSC funding priorities.

This model will enable learners to understand how to use their entitlement to a publicly funded first full Level 2 qualification to progress either into employment within the sector or onto their first full Level 3. In this scenario a learner can achieve clear progression and/or employability objectives, and employers have confidence that a full Level 2 qualification confers skills necessary for a particular type of job. It is also expected that a full Level 2 will be accepted by employers across the relevant sector, and it would provide sufficient level of transferable skills. Thus a full Level 2 gives learners sustainable options for employment and

---

\(^2\) With the exception being those repeat qualifications identified as repeat funding within TTG additional flexibilities.
progression, and employers an understanding and confidence that full Level 2 qualification equates with their employment requirements.

Scenario B

If a Certificate size qualification has been set as a full Level 2, but employers in the sector commonly require a Diploma to progress to employment or for progression to learning at Level 3, then the qualification being identified as a funding priority by the SSC does not actually meet employer’s needs.

This would mean that an individual might use their entitlement for their first full Level 2, but on successful completion, would still fall short of employment and progression requirements and hence would need to engage in further learning at Level 2.

This scenario would arise whenever the full Level 2 criteria are set lower than the sector requirement for employment, or the requirements for progression to Level 3. For instance, if a Certificate was assigned a full Level 2 status yet a Diploma was what was required by the sector, the Certificate would not be prioritised for funding as it does not meet employability and/or progression criteria. If this scenario was to occur, it would mean that employers would have negative perception of full Level 2, because it would not give learners skills necessary for employment.

Equally where an award size Level 2 was identified as a full Level 2, the current LSC funding policy would not prioritise funding for the learner to continue and complete a Diploma size qualification at the same level as their existing qualification.

The impact on learners would be that they had achieved their first full Level 2 and therefore used up their entitlement and not be able to move forward to employment, or further learning at Level 3.

This could have further significance, as this option might lead to further perverse consequences in relation to delivery and provider behaviour, where it might become economically attractive to offer learners the shortest and cheapest qualifications. The impact on learner retention rates and qualification success rate may also be significant in provider decisions.