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Title: 2007/08 Regional Allocations Framework  
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<table>
<thead>
<tr>
<th>Summary/Definition (Ideally up to 50 words)</th>
<th>This document provides LSC regions with a framework to assist in the agreement of provider funding allocations for the 2007/08 academic year. This is an annual document, referred to in the Single Statement of Requirements and this is the second year that the document has been issued.</th>
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| Key Messages: (Ideally three in bullet form) | • Partnership teams will negotiate volumes with providers focussing on ensuring that adequate investment is available in priority provision.  
• Once priority provision is procured and costed any funds remaining will be used to secure other provision through negotiation.  
• Any gaps in priority provision must be commissioned through competitive tendering  
• Decisions on curriculum mix beyond our stated headline priorities will be left for providers to manage.  
• Allocations will begin to be agreed in May 2007 with all funding contracts and agreements issued by July 2007. |
| Policy Commitment: (Ideally up to 50 words) | The purpose of this framework is to provide regions with a framework within which to implement policy that has been stated elsewhere within key policy documents and strategic priorities. There is no new policy or policy commitments. |
| Background: (Ideally up to 300 words) | The Regional Allocation Framework provides LSC regions with a framework to determine provider allocations for the 2007/08 academic year. It has been prepared by a number of national and regional colleagues, and is intended to support partnership teams and their colleagues in discussions with providers. Each region will implement this framework within the context of |
their ways of working and regional commissioning plans. This framework is an integral element of the LSC’s planning processes, providing the technical detail for achieving the policy changes included in our Annual Statement of Priorities. The framework covers the calculation of allocations for all major funding streams as annexes 1 to 6. Matters that are relevant to more than one funding stream are covered in the first section.

The purpose of the Regional Allocation Framework is to provide regions with a framework within which to implement policy that has been stated elsewhere. Each annex will indicate major policy documents of relevance to that funding stream. In preparing for funding allocation discussions with providers, partnership teams will need to be familiar a number of policy and other documents that are set out in paragraphs 4 and 5 of the first section.

Questions and Issues:
(Ideally the top six most likely aspects)

When will my allocation be finalised
Discussions over volumes will begin by the end of February 2007. To ensure that our delivery volumes and expenditure supports our strategic priorities, the Chief Executive will moderate expected delivery volumes with each RD as part of the spring performance review planned for May 2007. Allocations will begin to be agreed in May 2007 with all funding contracts and agreements issued by July 2007.

How will funds be allocated to regions?
The regional commissioning plan will have set out the commissioning expectations of the region and agreed what this means for each local area. Funds will be allocated to providers so that the LSC priorities and targets are met. This document provides an allocation framework for partnership teams to use.

What does the document say about LLDD provision?
The overriding message is that it is important to ensure that provision for adults with learning difficulties and/or disabilities are protected in the 2007/08 allocations setting.

What does the document say about E2E?
See Annex 2. Allocations for E2E should reflect the objectives below and ensure that local needs are met. These objectives and priorities for E2E for the period 2005 to 2008 are to:

- Improve the percentage of learners who progress to a positive destination from 34% in 2004 to 50% in 2008
- Contribute to the PSA Target to reduce the number of Young People not in Education, Employment or Training by 2 percentage points by 2010
- Increase the proportion of leavers who continue their learning towards achieving a full level 2.

What does the document say about the implications of the Annual Statement of Priorities?
See Annex 2 paragraphs 10 and 11.

**What does the document say about the PCDL safeguard?**

See Annex 3. It is possible to adjust the proportion of PCDL between the FE and ACL funding streams (subject to the safeguard being satisfied), but the overall volume of PCDL safeguarded provision identified by each region in 2005/06 should not be reduced. In addition, the respective size of the other component parts of the safeguard for FLLN (£25m), NLDC (£20m) and Wider Family Learning (£12m) should be maintained.

**What does the document say about school sixth form allocations?**

See Annex 6. School sixth form 2007/08 allocations will be calculated by LSC National Office from data returned by each school in their 2006 September Pupil Count.

**Why has there been a delay in issuing this document?**

The business cycle was amended and timescales in the cycle have changed because of delays experienced around some deliverables (such as Regional Commissioning Plans, PaMS and the procurement process). This has had a knock on effect of delaying this document.

<table>
<thead>
<tr>
<th>Other related documents:</th>
<th>paragraphs 4 and 5 of the first section</th>
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<tbody>
<tr>
<td>Third Parties:</td>
<td>This document is primarily aimed at partnership teams although providers will be interested in what the document has to say.</td>
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<tr>
<td>(Ideally up to 50 words)</td>
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<tr>
<td>Main Facts:</td>
<td>Funds available for the LSC to allocate to providers continue to increase – over £11 billion in 2007/08. This document provides a framework for the allocation of these funds to providers.</td>
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<td>(Ideally up to 200 words)</td>
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<td>Next Key Events:</td>
<td>None planned.</td>
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<td>(Ideally up to 50 words)</td>
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<td>Internet links:</td>
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