

**To: Heads of higher education institutions
in Wales providing Initial Teacher Training**

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Response By: 22 July 2005

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**INITIAL TEACHER TRAINING (ITT) STRATEGIC FUNDING MECHANISM: PROGRESS
REPORT AND ALLOCATIONS FOR 2005/06**

This circular provides confirmation of the allocations to be made to institutions in 2005/06 to support ITT developments through the ITT Strategic Funding mechanism.

BACKGROUND

In June 2003, following consultation with the sector, the Council agreed that three non-formula ITT funding streams should be brought into a single funding mechanism from 2003/04 onwards, with a more strategic focus, namely: (a) National Curriculum for Information and Communications Technology; (b) Teaching Welsh as a second language to trainee teachers, and (c) Teacher Training Recruitment Scheme (TTRS).

This single funding mechanism was designed to enhance institutional autonomy in ITT strategic planning, helping to align institutional planning processes with the priorities of HEFCW, Estyn, and the Welsh Assembly Government. The information provided by institutions through the ITT strategic plans would be used as the basis for assessing the Council's ability to achieve the targets outlined in the HEFCW corporate strategy and plan. The Council committed to funding through this mechanism for a period of three years in the first instance, 2003/04 to 2005/06. To access this funding, ITT providers were required to submit a three year strategic plan for ITT provision, developed in accordance with the guidelines contained in Circular W03/62HE, *ITT Strategic Plans: Guidelines for Institutional Submissions*, based around identified targets and priority areas.

2004/05 ALLOCATION AND REPORTING PROCESS

Circular W04/41HE, *ITT Strategic Plans 2003/04 To 2005/06: Feedback And Future Actions*, June 2004, set out the arrangements for the ITT Strategic Funding allocations for 2004/05. It gave the Council's responses to institutional ITT strategic plans, submitted in January 2004, and drew attention to the requirement for these developments to be reported in July 2004, through the Council's pilot Annual Monitoring Statement (AMS) process. Following the submission of satisfactory AMSs, ITT strategic funding allocations for 2004/05 were released in September 2004 and March 2005.

The pro forma to be used for monitoring your institutional ITT strategic plan in 2005 is attached as **Annex A** and includes a declaration of expenditure, which should be signed by the Vice-

Chancellor/Principal, to confirm that the allocation has been fully spent and used for the purposes for which it was provided. The pro forma asks institutions to re-define the previously submitted qualitative and quantitative ITT targets into performance indicators, under six broad headings. It should be noted that this is a revised version of the pro forma issued in HEFCW Circular W05/17HE, *Strategic Plan, Financial Forecasts, Student and Staff Number Forecasts and Annual Monitoring Statement Request*. This has been amended to include an additional sixth activity heading, 'Quality Assurance and Enhancement', to reflect the need for institutions to report work undertaken in preparation for, and in response to, Estyn inspections. The AMS will also require institutions to identify performance indicators for the 2005/06 academic year, which will form the basis of next year's AMS. The signed AMS for 2005 should be returned to the Council by **22 July 2005**.

ITT STRATEGIC PLANS 2005/06 ALLOCATIONS

Following the submission of a satisfactory AMS in July 2005, the first tranche of ITT strategic funding allocations for 2005/06 will be released, pro-rata to each institution's total funded credit values for 2005/06. The 2005/06 allocations are set out in **Annex B**. Payments will be made in two tranches: 50% of funding will be paid by the end of September 2005, the rest in March 2006.

Institutions are asked to take account of the following components in the 2005/06 allocations:

(i) Teacher Training Recruitment Scheme Allocation (TTRS)

As indicated in Circular W04/41HE, the marketing and student hardship elements of the TTRS have been incorporated directly into the ITT strategic funding allocation. However, the undergraduate (UG) student placement grant element of the TTRS allocation remains outside this mechanism and will continue to be paid as a ring fenced allocation to ITT providers of secondary UG shortage provision under the existing TTRS arrangements. UG placement grants will be paid in two tranches, alongside the ITT strategic funding allocations, but should remain ring fenced within institutional financial processes as this funding is to be forwarded directly to eligible UG students. The TTRS UG student placement grant allocations for eligible institutions for 2005/06 are set out in **Annex C** to this letter.

(ii) Additional Inspectors (AIs)

Circular W05/03HE, *Initial Teacher Training: Additional Inspectors*, January 2005, notified the sector of HEFCW's intention, with support from Estyn, to withdraw from the administration of the nomination, training and deployment of Estyn additional inspectors (AIs) with effect from September 2005. At its March 2005 meeting, the HEFCW Council agreed to continue providing funding to this activity through the ITT strategic funding mechanism from 2005/06 onwards. The funding to be allocated for this purpose in 2005/06 totals £30,000. We will expect this funding to be used to facilitate the involvement of staff from HEIs and school partnerships as Estyn additional inspectors or peer assessors for ITT provision. Some of this additional strategic funding should be set aside to pass on to partnership schools for the training or deployment of staff, as required. Providers should also utilise this additional funding to address Estyn priorities and the outcomes of Estyn inspections. The Council, through the AMS process, will monitor involvement in this area over the course of the Estyn inspection cycle.

(iii) **ITT Partnerships**

A consultation on ITT partnership in Wales was undertaken between December 2004 and late February 2005. A circular confirming the Councils progress in supporting ITT partnership in Wales and proposed next steps will be issued later this month.

At the March and May 2005 Council meetings, members were advised of uncertainty across the sector of the impact of the Assembly review of ITT provision, due to be completed in Autumn 2005. The HEFCW commissioned ITT Partnership Study reported that many ITT providers subsidise their secondary phase provision by recruiting well to primary phase provision. If this is the case, reductions in primary targets applied by the Assembly from 2005/06 onwards may impact upon the viability of some smaller departments and institutions, including those offering Welsh Medium provision, and upon support for ITT partnership arrangements.

In light of this, the Council has agreed that a one-off allocation of additional funding to be distributed as part of the ITT strategic funding in 2005/06 to ensure the ongoing viability of ITT provision until the outcomes of the ITT review are known. This sum is equivalent to the reduced numbers of primary ITT funded places in ITT in 2005/06, totaling £248,904. A breakdown of the one off allocations for 2005/06 is set out in **Annex C** to this letter. This funding will be released to ITT providers on a pro rata basis according to institutional ITT funded credits. To ensure that all institutions receive a sufficiently increased allocation to undertake worthwhile actions no institution receives less than £25,000. An upper limit of £50,000 on individual allocations has also been set. Institutions will be required to provide the Council with plans for their expenditure of the additional monies, which we will monitor at the end of the academic year through the AMS. Officers will continue to monitor the financial and operational aspects of ITT provision, including partnership arrangements, throughout 2005, and will raise any issues directly with the team undertaking the Assembly review, when appropriate.

A circular, confirming arrangements for the continuation of the ITT Strategic Funding mechanism from 2006/07 onwards, will be issued later in Autumn 2005.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Phil Gummatt', with a long horizontal line extending to the right.

PROFESSOR PHILIP GUMMETT
CHIEF EXECUTIVE

ANNUAL MONITORING STATEMENT 2005: INITIAL TEACHER TRAINING*(Revised version of the AMS proforma issued in Circular W05/17HE)*

Activity	2004/05 performance indicators	Progress against performance indicators	2005/06 performance indicators	Proposed changes to expenditure in 2005/06, including proposals for use of funding carried forward from previous year (where appropriate)
Collaboration across the sector (Provide an indication of the range of collaborative activities being undertaken with within and out with the Council's Reconfiguration and Collaboration fund)				
School Partnerships (Provide an account of work undertaken in the development and maintenance of school partnerships)				
Marketing and Recruitment (Provide an account of the marketing and recruitment activities employed, including any hardship arrangements for ITT students)				

Welsh medium and Welsh second language provision (Provide an indication of the work being undertaken to support a growth in Welsh medium provision and Welsh second language provision)				
Curriculum Design and Development (Provide an indication of the curriculum design and development activities undertaken, including developments relating to ICT)				
Quality Assurance and Enhancement (Provide an indication of the work undertaken to prepare for, and respond to, the outcomes of Estyn inspections)				

Funding Allocation for 2004/05 = £xx

I confirm that the above allocation was used broadly according to the proposed expenditure outlined in the institution's ITT Strategic Plan 2003/04 – 2005/06, subject to any major changes or funds carried forward to 2005/06 that I have outlined below.

Signature (Head of institution or appropriate Deputy)

Date

Please indicate below any changes to planned expenditure, with brief explanation:

**Funding allocation
for 2005/06 = £xx**

ITT STRATEGIC FUNDING TOTAL ALLOCATIONS 2005/06*			
INSTITUTION	TOTAL FOR SEPT 2005	TOTAL FOR MARCH 2006	OVERALL TOTAL FOR 2005/06 **
University of Wales, Aberystwyth	39,062	39,061	78,123
University of Wales, Bangor	115,535	115,534	231,069
University of Wales Institute Cardiff	192,018	192,017	384,035
University of Wales, Newport	120,145	120,143	240,289
North East Wales Institute	33,593	33,593	67,186
Swansea Institute of Higher Education	100,779	100,778	201,557
Trinity College Carmarthen	62,948	62,947	125,895
Total	664,080	664,073	1,328,153

* Institutions should note that the above allocations comprise of (i) ITT Strategic funding allocations, (ii) one off additional payment for ITT Partnerships, and (iii) TTRS student placement grants which need to be forwarded directly to UG students.

** Figures may not add to totals due to rounding.

COMPONENTS OF THE ITT STRATEGIC FUNDING ALLOCATION 2005/06

Basic ITT Strategy Funding Allocation for 2005/06 (inflated by £30,000 to cover quality assurance & enhancement activities linked to Estyn inspections)			
INSTITUTION	1ST TRANCHE IN SEPTEMBER 2005	2ND TRANCHE IN MARCH 2006	TOTAL ITT STRATEGY FUNDING FOR 2005/06
University of Wales, Aberystwyth	26,562	26,561	53,123
University of Wales, Bangor	66,404	66,404	132,808
University of Wales Institute Cardiff	90,818	90,817	181,635
University of Wales, Newport	45,507	45,506	91,013
North East Wales Institute	21,093	21,093	42,186
Swansea Institute of Higher Education	75,779	75,778	151,557
Trinity College Carmarthen	47,264	47,264	94,528
Total	373,427	373,423	746,850

Calculation of the one-off ITT Partnerships funding for 2005/06			
INSTITUTION	1ST TRANCHE IN SEPTEMBER 2005	2ND TRANCHE IN MARCH 2006	TOTAL ADDITIONAL FUNDING FOR ITT PARTNERSHIPS IN 2005/06
University of Wales, Aberystwyth	12,500	12,500	25,000
University of Wales, Bangor	20,631	20,630	41,261
University of Wales Institute Cardiff	25,000	25,000	50,000
University of Wales, Newport	14,138	14,138	28,276
North East Wales Institute	12,500	12,500	25,000
Swansea Institute of Higher Education	25,000	25,000	50,000
Trinity College Carmarthen	14,684	14,683	29,367
Total	124,453	124,451	248,904

Teacher Training Recruitment Scheme Secondary Undergraduate Placement Grants for 2005/06 (ringfenced for payment to students)			
INSTITUTION	1ST TRANCHE IN SEPTEMBER 2005	2ND TRANCHE IN MARCH 2006	TOTAL TTRS SECONDARY UG PLACEMENT GRANTS IN 2005/06
University of Wales, Aberystwyth	0	0	0
University of Wales, Bangor	28,500	28,500	57,000
University of Wales Institute Cardiff	76,200	76,200	152,400
University of Wales, Newport	60,500	60,500	121,000
North East Wales Institute	0	0	0
Swansea Institute of Higher Education	0	0	0
Trinity College Carmarthen	1,000	1,000	2,000
Total	166,200	166,200	332,400

TOTAL FUNDING FOR 2005/06 (Strategy, Partnerships and TTRS funding)			
INSTITUTION	TOTAL FOR SEPTEMBER 2005	TOTAL FOR MARCH 2006	OVERALL TOTAL FOR 2005/06
University of Wales, Aberystwyth	39,062	39,061	78,123
University of Wales, Bangor	115,535	115,534	231,069
University of Wales Institute Cardiff	192,018	192,017	384,035
University of Wales, Newport	120,145	120,143	240,288
North East Wales Institute	33,593	33,593	67,186
Swansea Institute of Higher Education	100,779	100,778	201,557
Trinity College Carmarthen	62,948	62,947	125,895
Total	664,080	664,073	1,328,153

NOTES

The TTRS UG Placement Grant allocation for 2005/06 is to be paid alongside the ITT Strategic Funding, but **MUST** be ringfenced by institutions for distribution to UG trainees