

Paul Mullins  
Chair  
The Education and Training Foundation  
157-197 Buckingham Palace Road  
London  
SW1W 9SZ

21 April 2017

Dear Paul

## GRANT VARIATION FOR THE EDUCATION AND TRAINING FOUNDATION

I am writing to confirm changes to the Education and Training Foundation's 2017-18 Grant Funding Agreement. This was originally set out in the Grant Offer Letter dated 31 March 2017.

The revised Grant Funding Agreement for 2017-18 is £21,455,300. This is calculated as follows:

1. Original Grant Funding Agreement for 2017-18: £14,455,300;
2. Additional Grant Funding of up to £7,000,000 for the 2017-18 financial year to support skills shows and competitions.

The activities and outcomes to support skills shows and competitions for which the additional Grant Funding of up to £7,000,000 is paid are listed below. These activities and outcomes are additional to those set out in Annex F of the original Grant Offer Letter.

### Skills show and associated competitions

#### Activity

- Make a grant of £7,000,000 to WorldSkills UK and work with them to expand the reach and exploit the potential of skills competitions and shows across the UK.
- Raise the commercial income and reduce reliance on Government funding of the Skills Show, by making the administration and delivery more efficient, whilst focusing more on employment and recruitment.
- Increase commercial sponsorship (including through blue-chip and SME companies) and other funding and sponsorship for local/regional events (e.g. LEPs and Local Authorities).
- Agree appropriate standards and arrangements for skills competitions and the Skills Show, in the light of the VFM assessment; and ensure arrangements for competitions and shows are refined to take account of the assessment, while still meeting the standards required.

- Agree with the Department a clear business plan for commercialisation setting out how WorldSkills UK will increase commercial income and develop alternative revenue streams.
- Conduct regular stock takes between WorldSkills UK and the Department, including a full review of progress in October 2017, to monitor and track progress towards commercialisation.
- Diversify the membership of the board of WorldSkills UK, ensuring there is business representation.
- Agree with the Department an approach for increasing the Department for Education's branding and presence on WorldSkills UK's website, and promotional material and literature.

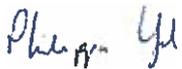
#### Outcomes / KPIs

- Skills competitions should play an important part in improving technical skills in the new occupational routes being addressed through the Skills Plan and across the UK.
- Support work to ensure that skills competitions are recognised as a legitimate training and assessment cost through both the apprenticeship levy and study programme funding going forward. There is potential to embed competitions more fully in the technical education and apprenticeship systems which supports the development of alternative sources of income.
- Increased commercial income and alternative revenue streams, leading to a sustainable business model and reduction of dependency on Government funding. There will be regular stock takes, including a full review in October between the Department and WorldSkills UK where progress towards commercialisation is expected to be demonstrated and evidenced.
- WorldSkills UK's board has a more diverse membership with members from outside the FE sector, including a reputable and credible figure from the business community.
- Raise awareness for, and celebrate the achievements of individuals undertaking technical education and apprenticeships, highlighting the benefits competitions can provide in raising standards of training and assessment in apprenticeship and other technical education.
- The Department's branding is prominent on WorldSkills UK's website and promotional material, raising awareness of the support and funding provided by the Department.

We agree that all other terms and conditions of the Grant Funding Agreement remain unaltered and that no other liabilities, financial or otherwise, shall accrue to the Department because of the above amendment. We confirm acceptance of the variation on the terms specified above.

Please sign two copies of the certificate, retaining one copy and returning the second to me.

Yours sincerely



Philippa Lloyd  
Director General, Higher and Further Education