Apprenticeship Funding Summit

Morley College, London

15th March 2011

Twitter   #Lsect and #Appren

Lsect
Learning & skills ~ events,
consultancy and training

Summit programme

10.30 Welcome and introductions

10.40 Apprenticeship funding update ~ where are we now?

11.40 Ice-cream break!

12.00 Understanding the SASE requirements and definitions

12.30 The view from EFEC and AoC East Midlands

13.00 Lunch and time with exhibitors (leave a postcard)

13.50 A view from the Association of Learning Providers

14.30 Tips, hints and impact analysis

15.30 Summit end

Who will you hear from?*

Nick Linford
Managing Director of **Lsect** and author
of *The hands-on guide to post-16 funding*

Lsect
Learning & skills ~ events,
consultancy and training

Jon Thorn
Employer Services Director
National Apprenticeship Service

Apprenticeships

Paul Eeles Chief Executive of
EMFEC and Regional Director of
AoC East Midlands

EMFEC

AoC
Association of Colleges
East Midlands

Paul Warner
Director of Delivery
Association of Learning Providers

association of learning providers
the voice of learning providers

* In order of appearance

Meet with the exhibitors and enjoy the refreshments, lunch and ice-cream!

CAPITA

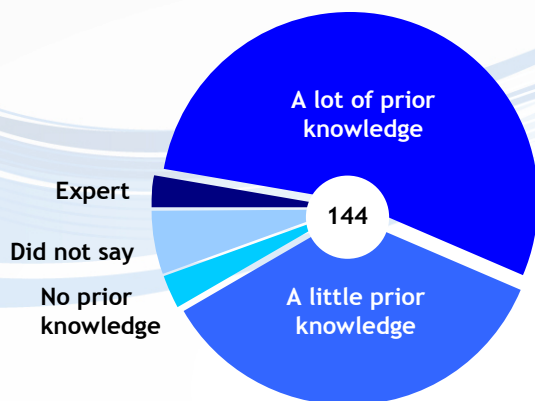Perspective

Rrefreshments
and lunch

And you, 144 delegates

**When you registered you were asked how much
you already know about apprenticeship funding**

A lot of prior knowledge

Expert

Did not say

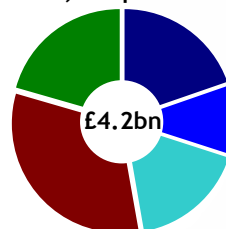No prior knowledge

144

A little prior knowledge

**So pretty knowledgeable, but lets see if we can
ensure everyone catered for**

And you, 82 SFA funded providers

**Figures taken from December 2010 Skills Funding Agency
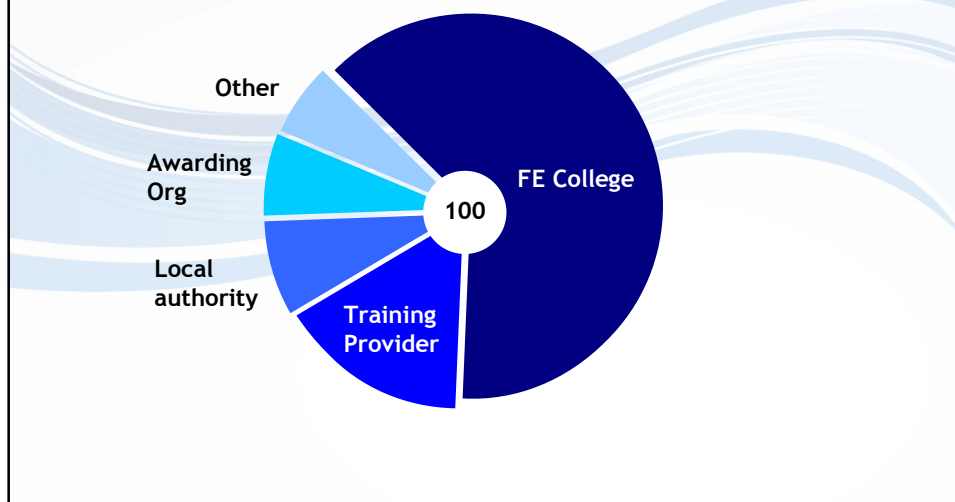2010/11 Allocation Spreadsheet**

Other (incl. ESF)

16-18 Appren

19+ Appren

£775m

Train to Gain

19+ Learner responsive
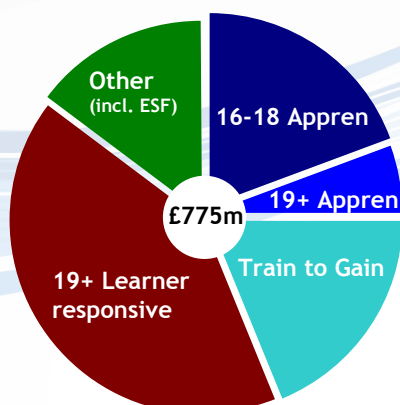
All 1,550 providers

£4.2bn

Oh, and the 100 of you who yesterday completed the pre-Summit survey
(more on that later)

- Other
- Awarding Org
- Local authority
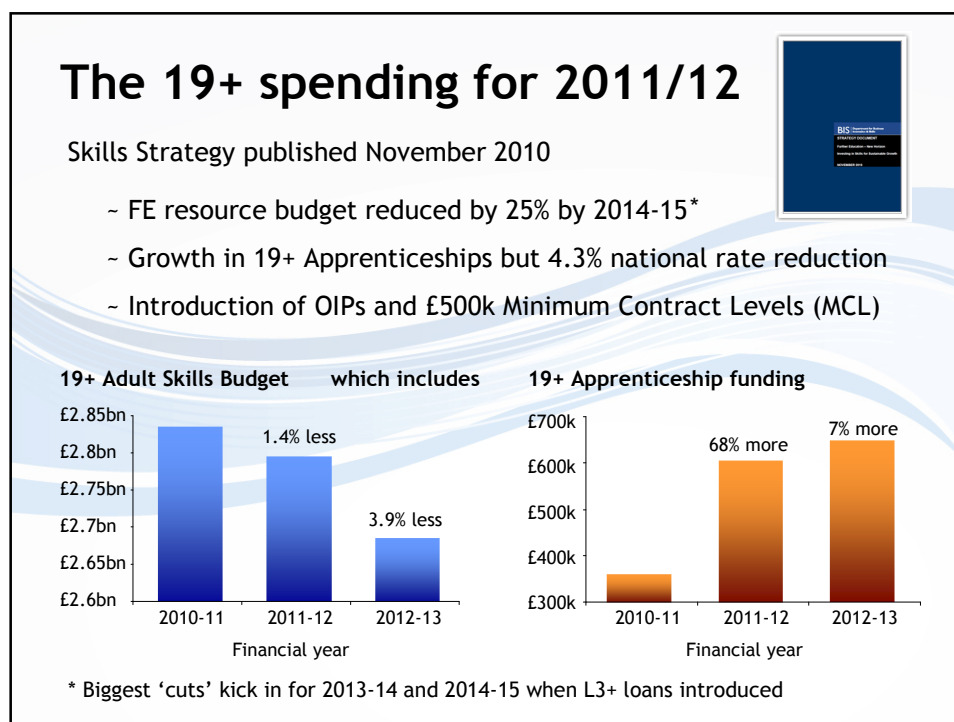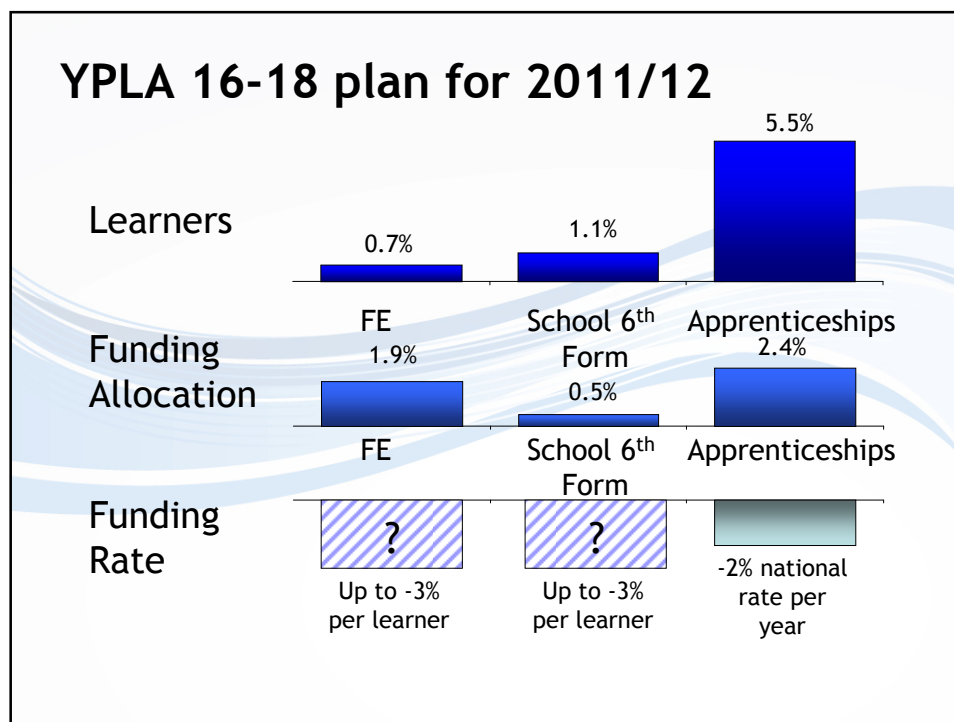- Training Provider
- FE College
- 100

Apprenticeship Funding Update

Nick Linford
Author of the *Hands-on guide to post-16 funding*

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YPLA 16-18 plan for 2011/12

Learners

- FE — 0.7%
- School 6th Form — 1.1%
- Apprenticeships — 5.5%

Funding Allocation

- FE — 1.9%
- School 6th Form — 0.5%
- Apprenticeships — 2.4%

Funding Rate

FE	School 6th Form	Apprenticeships
?	?	
Up to -3% per learner	Up to -3% per learner	-2% national rate per year

The 19+ spending for 2011/12

Skills Strategy published November 2010

~ FE resource budget reduced by 25% by 2014-15*

~ Growth in 19+ Apprenticeships but 4.3% national rate reduction

~ Introduction of OIPs and £500k Minimum Contract Levels (MCL)

19+ Adult Skills Budget   which includes

£2.85bn – 2010-11
£2.8bn – 2011-12 (1.4% less)
£2.7bn – 2012-13 (3.9% less)

Financial year

19+ Apprenticeship funding

£700k
£600k – 2011-12 (68% more)
£650k – 2012-13 (7% more)
2010-11

Financial year

* Biggest 'cuts' kick in for 2013-14 and 2014-15 when L3+ loans introduced

Sources of framework information

~ Skills Funding Agency website

~ Apprenticeship Frameworks Online

~ National Apprenticeship Service website

~ National Apprenticeship Service spreadsheet

~ The Learning Aim Database

~ Sector Skills Council technical specification

236 frameworks under-development
and 17 working days until 6th April…..

SFA SASE web page

http://skillsfundingagency.bis.gov.uk/providers/allthelatest/sase/

We will aim to update the Q&A on a weekly basis. If you would like to submit any questions email sasefeedback@skillsfundingagency.bis.gov.uk. Alternatively, contact your Skills Funding Agency Account Manager

Say 'thanks' for the slides at
http://uk.virginmoneygiving.com/Lsect-
for-HKF

0 'current' in the frameworks library
(as at 22:12 on 14/03/11)

www.apprenticeshipframeworksonline.semta.org.uk

263 frameworks 'under development'
(as at 22:12 on 14/03/11)

Sign up for free updates and resources
at www.lsect.com

NAS implementation and spreadsheet

Spreadsheet still only update 2 (21st Feb) with just three frameworks

www.apprenticeships.org.uk/Partners/SASE/Implementation.aspx

NAS implementation and spreadsheet

"We have set indicative rates for delivery of new SASE compliant frameworks both on and before 1st of August 2011. It is important note that these figures are for illustrative purposes, for full rates information please refer to the Learning Aims Databse when the framework becomes live. Please note that where new SASE frameworks directly replace current provision we will continue to fund at the existing Blueprint rate until the 31st of July 2011. We have also provided a link to all new SASE compliant framework documents."

Learning Aim Database framework

Learning Aim Database - Framework Aims and Common Components

the data service
better information for further education

New Framework Search

Framework: 401 - Drinks Dispense Systems - Intermediate Level Apprenticeship
Framework Type: 3 - Apprenticeship
Sector Lead Body: 14 - People 1st

Framework Annual Values

Year	Framework Element SLN	Framework SLN GLH	Fee Element Percentage	Status	Approved By	Sector Subject Area
2010/11				1 - Code available	-	07.4 - Hospitality and Catering

Results ordered by Teaching Year (ascending).

Framework Funding Details

Your query returned no Framework Funding Details information.

Framework Common Components

Code	Description	Level	Effective From	Effective To
10	Functional Skills Mathematics	1	01/03/2011	
11	Functional Skills English	1	01/03/2011	

Results ordered by Common Component Code (ascending).

Related Learning Aims   Click to download results : CSV | PSV

Learning Aim Ref	Learning Aim Title	Awarding Body	Current Provision Indicator	Notional NVQ Level	Effective From	Effective To	Framework Comp Type
50115327	Certificate in Cellar Service Installation and Maintenance (QCF)	BIIAB	Y	2	01/03/2001	02/03/2001	002 - Technical Certificate within an Apprenticeship
50122058	NVQ Certificate in Drinks Dispense Systems (QCF)	CG	Y	2	01/03/2001	02/03/2001	001 - Main Aim within an Apprenticeship

http://providers.lsc.gov.uk/LAD/

Learning Aim Database rates

NVQ 2 Cert in Drinks Despense Systems (QCF)
Learning aim reference 50122058

Annual Values 2010/11:

| Key Details | Aim Details | Shared | 16-18 LR | Adult LR | ER App | ER TtG | ASL | 16-18 LR SSF | Frameworks |

Learning Aim Title: NVQ Certificate in Drinks Dispense Systems (QCF)
Learning Aim Reference: 50122058
Awarding Body: CG - City & Guilds of London Institute   For Ofqual details, click here.
Learning Aim Type: 0016 - Certificate
Teaching Year: 2010/11 ▼

| Validity | Start Date: 01/03/2011 | Last Date for New Start: | End Date: | Created Date: 28/02/2011 | Modified Date: |

Funding

SLN1	SLN2	SLN3	SLN Type	Programme Weighting Factor	WAGLH	Fee %	Effective From	Effective To	Created Date	Modified Date
0.014			SLN	A			01/03/2011		28/02/2011	

SLN = 0.014

PWF = A = 1

Programme Weighting Factors

A	1
B	1.12
C	1.3
D	1.6
E	1.72
F	1.4
G	1.92
H	1.2
J	1.25
K	1.5
L	1.15

http://tinyurl.com/6dfk958

Apprenticeship Funding & Instalments

16-18 year-old funding in 2010/11 (matches total in NAS spreadsheet)

Framework 401 elements	SLN	NFR	PW	ACU	DU	Funding
NVQ Cert in Drinks Dispense Systems (QCF) (L2)	0.014	£2,920	1 (A)	1	1.025	£42
Certificate in Cellar Service Installation and Maintenance (QCF) (L2)	0.644	£2,920	1.3 (C)	1	1.025	£2,506
Functional Skills Maths (L1)	0.08	£2,920	1 (A)	1	1.025	£239
Functional Skills English (L1)	0.08	£2,920	1 (A)	1	1.025	£239
Total						**£3,028**

OP Instal Month 1	£1,508
OP Instal Month 2	£754
OP Instal Month 3	£754

Achievement	£10 (!)
Total funding	**£3,028**

Note: All 19+ Apprenticeships are co-funded (50%) and 25+ have a 20%
rate reduction and large employers (1000 staff+) have a further 25% rate reduction

SSC Technical Spec

"628 glh over 15 months"

"Minimum of 438 glh
off-the-job over 15 months
for this framework"

**£3,028 enough for
16-18 year-old?**

£1,500 fee realistic for 19+?

apprenticeship
FRAMEWORK

Drinks Dispense Systems
(England)

Issued by
People 1st

apprenticeship
FRAMEWORKS ONLINE
www.apprenticeshipframeworksonline.semta.org.uk

Document status:
Work in progress

Apprenticeships

http://tinyurl.com/6a8h43s
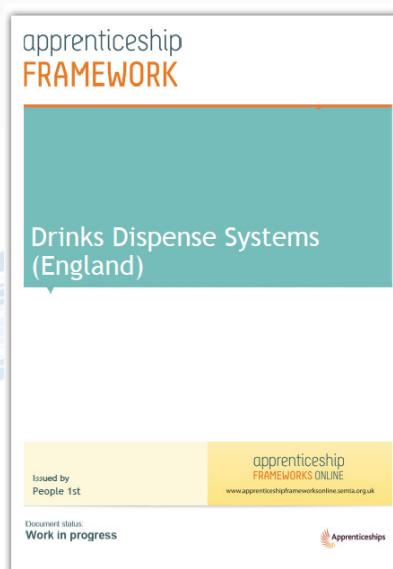
Verson 2 already and 'work in progress'

19+ Detail in Guidance Note 6

Many significant changes for 2011/12

~ 19+ national funding rate reduction of 4.3%*

~ 1.2 PWF uplift removed for Skills for Life (excl. Entry Level Numeracy)*

~ Non-entitlement Level 3 Train to Gain not funded

~ Non-entitlement Level 2 Train to Gain for non-SMEs (250+) not funded

~ No ESOL funding in the workplace

~ Fee remission only for those on 'job ready' income support (e.g. JSA)

~ £80m pilot in learner-responsive for Outcome Incentive Payments (OIPs)

~ Minimum Contract Level of £500k

~ Single ER and LR budget, and SFA will pay 16-18s on behalf of YPLA

* Rate changes 'will apply for all new and existing learners'

What we still don't know from the SFA

~ Application of Minimum Contract Level for 16-18 Apprenticeships?

~ Criteria for payment of Job Outcome Payments in 2011/12?

~ Fee collection/income review and adjust future allocations for non-collection?

~ Further details on Subcontracting rules?

~ Changes to ALS audit requirements?

~ Details on arrangements for funding LLDD learners?

~ Details of any changes to OLASS provision?

~ Foundation Learning learners on inactive benefits to remain fully-funded?

~ Will the 1.75 SLN cap be reduced in line with the 16-18 reduction?

~ Will there be an ESOL Equalities Impact Assessment leading to a change?

Some answers in Guidance Note 7 due out this week?

Request a **Sunesis** product demonstration

http://tinyurl.com/sunesis

Please fill in your contact details and place this postcard in the big champagne glass. Thanks!

Name

Job title

Organisation

Email

Contact number

How to claim your iPad

If your organisation purchases one or more of the Sunesis modules within two months of a product demonstration then it will come with a free 32GB iPad. We recommend that the iPad is used for a learner prize or resource, although this is up to you.

Perspective
Sunesis

"Fareham College uses **Sunesis** to track all Employer Responsive activity, particularly Apprenticeships. The system is easy to use and is regularly updated to reflect any changes in funding. It allows total visibility of all learner progress, funding predictions and success rates. It is an invaluable tool in helping us plan for the future, and evaluate where we are now"
Claire Middleton, Business Development Manager, Fareham College

"Real Time Training Group have been using Perspective's **Sunesis** since October 2010. After a recent OFSTED inspection we decided as a company we wanted to head towards a shared, web enabled, Management Information System that could handle the funding body side, but also address learner progression such as tracking reviews and qualifications. The main advantage of Sunesis has been the ability to have our learner data shared across all parts of the organisation due to Sunesis being web enabled. The unit level detail is great, and the coding behind Sunesis is intelligent enough to drag in the full units and framework detail from the national database of qualifications. This saves the time and the effort of having to create your own qualifications from scratch."
Dean Sherlock, MIS Manager, Real Time Training Group

Break for ice-cream!

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Do you feel you understand what the definition of glh means in the context of minimum on and off-the-job glh within the new Apprenticeship Standards (SASE)?
(Pre-conference survey question 6)

Are you concerned that the new Apprenticeship Standard (SASE) will make it more difficult to deliver apprenticeships?
(Pre-conference survey question 7)
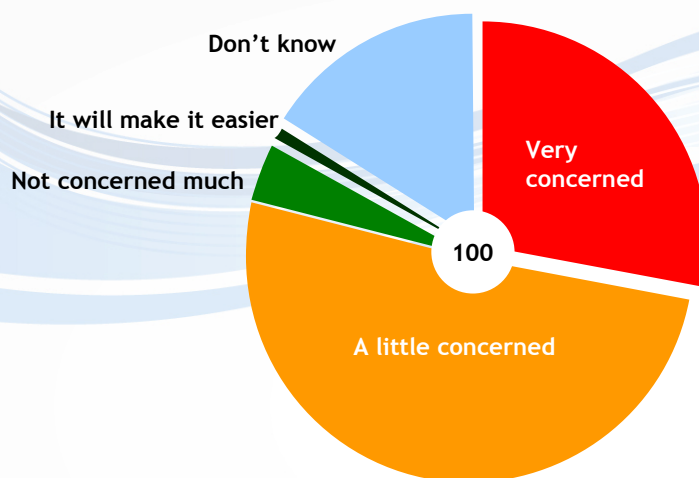
Apprenticeships – SASE

Jon Thorn – Employer Services Director London

National Apprenticeship Service

Legislative Drivers

- Raising of the Participation Age

- The Apprenticeship, Skills, Children and Learning Act:
  1. New Specification of Apprenticeship Standards
  2. Removal of Programme Led Apprenticeships
  3. Apprenticeship Certificates
  4. Alternative Completion Conditions
  5. Apprenticeship Agreements
  6. Issuing Authorities

Apprenticeships

Purpose

To explain the following:

• What is "The Specification of Apprenticeship Standards for England" (SASE);

• Content of SASE

• SASE Compliance / Certification

• Employment Status

• Alternative Completion Conditions

• Issuing Authorities

• Web Portal

• Breaking News: Guidance Note 7

Apprenticeships

The Specification of Apprenticeship Standards for England (SASE): What is it?

• The Apprenticeships, Skills, Children and Learning (ASCL) Act introduces the *Specification of Apprenticeship Standards for England (SASE)*

• The *SASE* sets out the minimum requirements to be included in a recognised English Apprenticeship framework

• Compliance with the *SASE* will be a statutory requirement of the Apprenticeships, Skills, Children and Learning (ASCL) Act

• The Issuing Authorities, (SSCs) designated by the Secretary of State, are responsible for ensuring that only those Apprenticeship frameworks which comply with the *SASE* are issued as recognised English Apprenticeship frameworks

• From 6th April 2011 there will be no new Apprenticeship starts against frameworks which do not comply with the *SASE*.

Apprenticeships

What is in the SASE - Intermediate / Advanced Level Apprenticeships

The framework developer, in consultation with the Issuing Authority, will decide the balance of credits. However, each framework must:

• consist of qualifications in the QCF and be a **minimum of 37 credits**.

• have a **competency based qualification** or element of an integrated qualification, which specifically relates to the occupation or job role and is based on the NOS. Must be a **minimum of 10 credits**.

• have a **knowledge-based qualification** or element of an integrated qualification, which provides the technical skills and knowledge/understanding of the theoretical concepts related to the occupation or job role and is at the same level as the overall framework. Must be a **minimum of 10 credits**.

Apprenticeships

What is in the SASE Cont. - Intermediate / Advanced Level Apprenticeships

• Functional and/or Key Skills/Functional GCSE. Level 1 KS and FS in an Intermediate Apprenticeship and Level 2 KS and FS in an Advanced Apprenticeship until Sept 2012.

• Employee Rights and Responsibilities – to include the 9 mandatory elements.

• Personal Learning and Thinking Skills. Must specify the 6 outcomes and how they are to be achieved.

• Additional Elements: Entry Conditions

                                          Equality and Diversity

                                          Progression Routes

Apprenticeships

Guided Learning Hours

- Apprenticeship frameworks must include a minimum of **280 GLH** per year

- An Apprenticeship framework must specify the number of **off the job GLH** that an apprentice is to receive per year (min 100 GLH per year or 30% of total GLH per year, whichever is greater)

Off the Job Guided learning

- Apprenticeship frameworks will include **guided learning**

- This type of guided learning will be delivered away from the immediate pressures of the job.

Apprenticeships

What is in the SASE – Higher Apprenticeships

The SASE introduces Apprenticeships at both Level 4 and 5.

Level 4 Must Include:

- **competency qualification** at level 4/5 and a separate technical knowledge qualification, each of which must carry at **least 10 credits on the QCF**; or

- **an integrated qualification** at Level 4/5, with both **competence and knowledge** elements separately assessed, each of which must carry at least 10 credits on the QCF; or

- **a competency qualification** at Level 4/5, which must at least 10 credits on the QCF and a separate Foundation Degree or HND or HNC to meet the knowledge requirement.

- **at Level 5** a Foundation Degree which combines competence and knowledge where the competence element is at least 50% of the Foundation Degree and where at least 50% is delivered through on-the-job training. The Foundation Degree must be endorsed by the Awarding HEI as at least 50% competence based.

- plus Functional / Key Skills, ERR, PLTS etc

Apprenticeships

SASE Completion / Certification

Statutory Requirement	Competence Element (min 10 credit)	Certification Requirements + Apprenticeship Agreement
	Knowledge Element (min 10 credits)	
	Functional / Key Skills / Functional GCSE	
	Employment Rights and Responsibilities	
	Personal Learning and Thinking Skills	
	Guided Learning Hours	
Non-Statutory Requirements	Entry Conditions	
	Equality and Diversity	
	Progression Routes	

Apprenticeships

Employment Status

"The Apprenticeship Agreement will be a contract entered into between the employer and the apprentice.

The Government expects that it should set out both the on-the-job training and the learning away from the workstation that will be delivered; make clear what job role an apprentice will be qualified to hold upon completion; and stipulate the supervision that an apprentice will receive throughout the period of the Apprenticeship." ASCL Bill

Apprenticeship content must be delivered within contracted hours.

Apprenticeships

Alternative Completion Conditions

- only used in exceptional circumstances

- only applied where employment with an employer is not custom and practice

- applies only to a defined skill, trade or occupation

- applies to specific circumstances
    - where a person is self-employed or
    - working otherwise than for reward

- Currently 4 identified:
    - Sports designated as Olympic and commonwealth games sports
    - Sea fishing
    - Freelance / self employed specific occupations in the Creative /Cultural sector
    - British Racing School

Apprenticeships

Issuing Authorities

- English Issuing Authorities (IA) may only issue frameworks that comply with SASE.

- The IA must notify the Skills Funding Agency/NAS when the framework is issued or withdrawn.

- SSCs and other recognised Sector Bodies designated as IAs for England.

- IAs role is to work with framework developers.

- Issue a SASE compliant framework on the web portal.

Apprenticeships

Web Portal

- The web portal is a single point of information for all issued frameworks.

- Contains a framework library based on framework titles and occupational job roles.

- All new framework developments will be registered on the web site.

- Employers and educators can get in touch with the appropriate Issuing Authority. They can propose or develop new frameworks to meet the current and future needs of business and apprentices in England and Wales.

www.apprenticeshipframeworksonline.semta.org.uk

Apprenticeships

Stop Press: Guidance Note 7

- **Apprenticeship delivery models:**
  - Real work for Real Reward
  - Employment
  - Working Hours
  - Length of Stay
  - College and provider responsibilities

- **PLAs**
  - Policy position for existing learners
  - Transition arrangements April to July 2011

What Happens Next?

www.apprenticeships.gov.uk

www.apprenticeshipframeworksonline.semta.org.uk

Apprenticeship Funding Summit
The impact of implementation

Paul Eeles Chief Executive
15 March 2011

EMFEC

Session Aims

1. Give some background to me and my involvement in apprenticeships
2. Look at the wins along the way to getting SASE
3. Undertake a SWOT analysis of where we are in relation to Apprenticeships
4. Try and bust a few myths
5. discuss some of the challenges
6. Make some 'Paul Eeles' observations

EMFEC

Background

- Owned an ITP delivering hospitality apprenticeships
- Led on policy related to Apprenticeships within ALP until December 2010
- Involved in the development / lobbying around SASE within ALP
- EMFEC provides through SLA the regional director services for AoC East Midlands
- Nationally approximately 75% of Apprenticeships delivered by ITPs
- East Midlands Approx. 50% delivered by Colleges

EMFEC

Who is EMFEC

- Membership body based in Nottingham
- 99 years old!
- The umbrella organisation for the FE Sector across the East Midlands & beyond
- Extensive experience in project and partnership working
- Provider of CPD, professional development services and consultancy for the FE Sector
- Act as the regional centre for AoC in the East Midlands
- ABC Awards the only Sector owned Awarding Body

EMFEC

Winning the argument?

- Won recognition of the value of managed & planned on the job skills training & development
- Off the job = away from the work place pressures as well as off the job
- Key Skills reprieve

EMFEC

SWOT Analysis

Strengths

- Government committed to Apprenticeships
- Enshrined in legislation
- Employers increasingly valuing Apprenticeships
- High success rates

Weaknesses

- Enshrined in legislation
- Inflexibilities of SASE over the long term
- Confusion around the requirements of SASE
- Unknown audit burden

Opportunities

- Growing provision
- Public Sector Procurement strategies
- Key Skills v Functional Skills
- Focus on SMEs
- Wolf Review?

Threats

- Speed of moving from T2G to Apprenticeships
- MCL policy
- Funding arrangements
- Employer contributions
- Wolf Review?

EMFEC

Getting the representation right!

1. Functional skills v Key Skills debate
2. Ensuring vocational skills development is at the heart of the Apprenticeship programme
3. On the job and off the job compliance!
4. SASE compliant frameworks by 6th April!
5. Employer contributions
6. Apprenticeship Agreement
7. Employer need v deliverability
8. implication of Wolf Review

EMFEC

www.emfec.co.uk

@emfec_news
@PaulEeles

twitter FOLLOW US

EMFEC

Specification of Apprenticeship Standards for England (SASE)

A view from ALP

Paul Warner – Director of Employment & Skills
Association of Learning Providers

a**p**ssociation of learning providers

SASE Background

The SASE is a statutory document under the Apprenticeships, Skills, Children and Learning (ASCL) Act 2009. Apprenticeship programmes must comply with SASE requirements by law from April 2011

The origins of the SASE came from the previous Government but the Coalition embraced most of the key aims and recently announced;

"Apprenticeships are at the heart of our skills strategy because they are valued by employers and sought after by learners. By enshrining these characteristics in statute we send a clear message to employers and learners that every Apprenticeship is a high quality investment in the skills they need for the future."

John Hayes, Further Education, Skills and Lifelong Learning Minister – 20 Jan 2011

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SASE Aims

The Governments stated key aims;

• To raise the profile of the Apprenticeship Brand and encourage more employers to recruit young people and adults

• All apprenticeships deliver high quality, nationally-recognised qualifications relevant to the skill, trade or occupation of the learner and employer

• All apprenticeships offer individuals appropriate training to achieve a good standard of literacy and numeracy (and ICT where relevant to the skill, trade or occupation)

• Every apprentice will receive at least 280 hours of guided learning per year **(more later on this)**

• Apprenticeship Agreements to establish a legal basis for the employer – employee (apprentices)

• Intermediate Apprenticeships will become the Level 2 option

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Framework Content

SSCs (Issuing Authorities) shall develop Frameworks with the following content;

• A minimum combined total of 37 QCF Credits will need to be achieved via

1. A Competence Qualification underpinned by a Knowledge Qualification **or** a combination of the two via an Integrated Programme of QCF

2. Functional Skills English and Maths **OR** Key Skills Communications & Application of Number (until Sept 2012) ICT F/S-K/S is optional

3. Employment Rights and Responsibilities (ERR)

4. Personal Learning Thinking Skills (PLTS) formally assessed but non accredited

5. On & Off the Job Training GLH – 280 Hours Minimum
   • This must be a minimum of 280 GLH of which at least 100 GLH or 30% must be delivered off-the-job and **clearly evidenced**

a^passociation of learning providers

ALPs Member Inbox (1)

1.Availability of SASE Frameworks –
   • As of 14TH March 2011 only 3 Frameworks are formally SASE Compliant & on NAS Spreadsheet, therefore only 243 to go...!
   • Sensible dual running periods need to be implemented to aid transition
   • All current Framework Funding rates apply to the end of July 2011

2.GLH of ON & OFF the Job – What are the evidence requirements?
   • <u>NAS Answer 1:</u> Must deliver the GLH as set out in the Framework and complete a 'declaration' when claiming the final certificate .

   • <u>NAS Answer 2 :</u> There is no requirement to record individual Hours...?

   • <u>**Conclusion:**</u>
      • In the absence of clear auditing advice, suggest that systems are devised to **RECORD** on and off the job from a QA perspective, highlighting the flexible and innovative methods of learning that takes place on the job.

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ALPs Member Inbox (2)

3.Apprenticeship Agreement
- Delayed following intervention from ALP/AOC that highlighted a number of implementation issues

4.Preparing Staff and Resources to the SASE Changes
- Timely and Accurate info required from Issuing Authorities
- New systems and processes to be developed

5.Communicating the new set of Arrangements with Employers
- Explaining the new requirements in a way that retains employer buy in

6.Funding & Efficiency going forward
- 4.3% cut already announced for 19+ from August 2011, funding model to be simplified form 2012/13.
- 25+ Apprenticeships dependent on NAS discretion & SFA budgets
- Government wanting ever greater employment investment & Learner Loans 2012/13

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Policy Developments

1. **Coalition Government very supportive of the Apprenticeship brand with stated priority for**

    - Advanced Apprenticeships – Technician Level
    - Higher Apprenticeships
    - Question if this potentially devalues new Intermediate Apps level.?

2. **Wolf Review very positive about Apprenticeships and suggested two related recommendations to Coalition;**

    - *"employers should be subsidised if they offer 16 to 18-year-old apprentices high-quality, off-the-job training, and an education with broad transferable elements"*
    And
    - *"anyone who fails to achieve a good pass* **GCSE** *English or maths pass must continue to study those subjects post-16*

    End & Questions

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Tips, hints and impact analysis

Nick Linford
Author of the *Hands-on guide to post-16 funding*

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MCL implications for 2011/12

645 providers below £500k (42%)
Total value £132m (3%)

894 providers above £500k
Total value £3,748m

Number of providers

Total Agency allocation in 2010/11 (£'000)

SFA 10/11 allocation spreadsheet (22nd Sept)
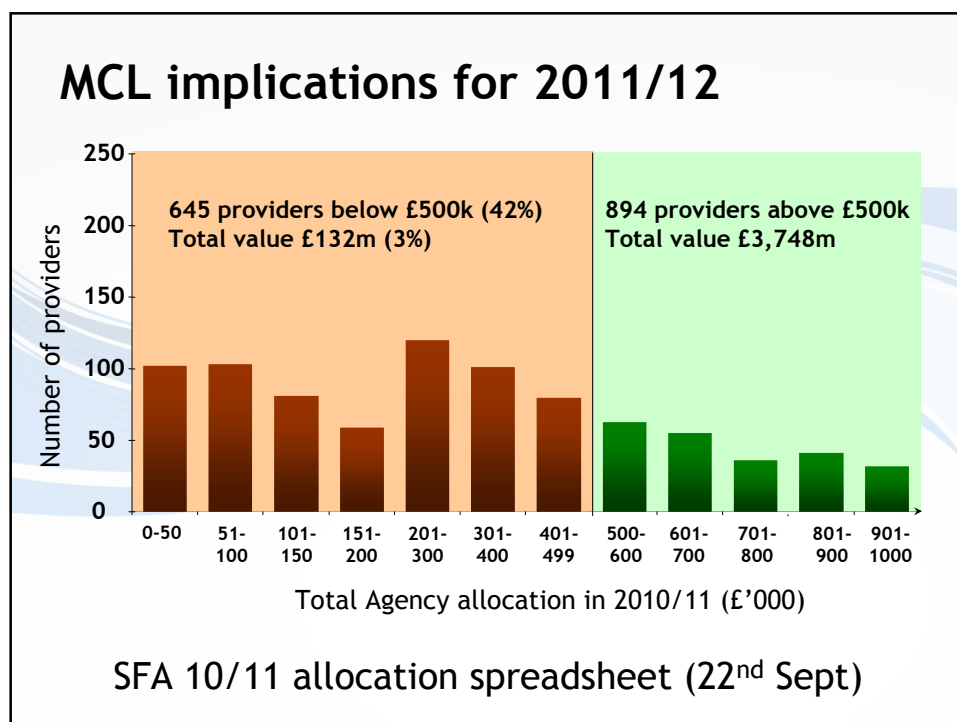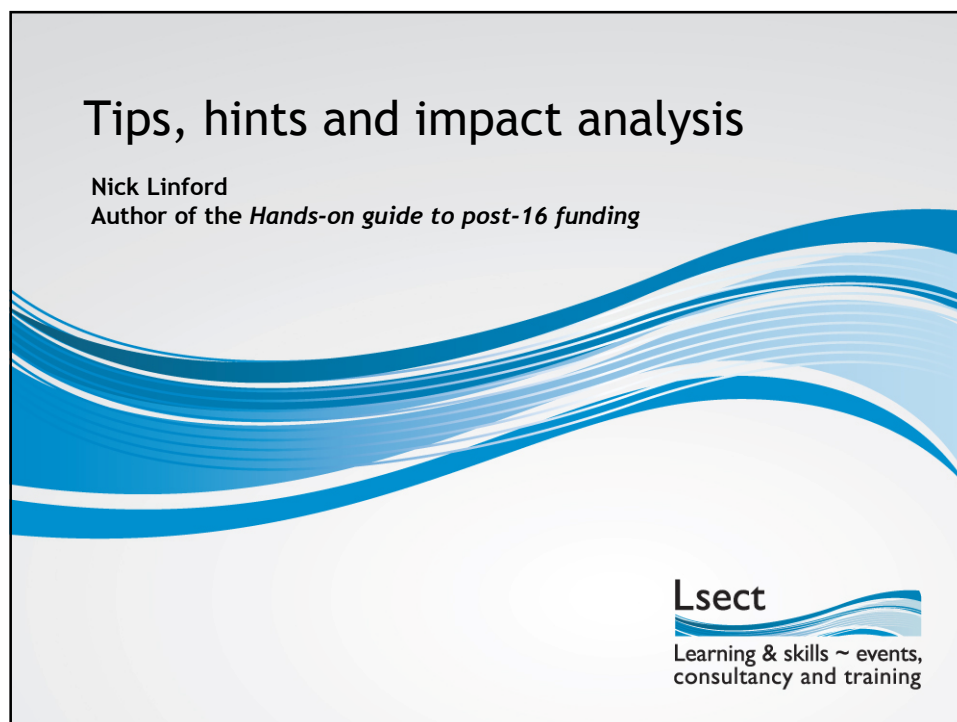
But....of the 645 below £500k....
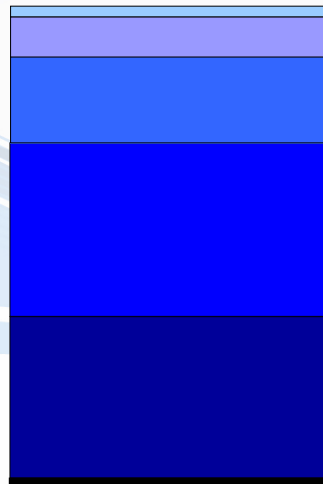
14 Universities (exempt)

55 College (exempt)

115 only have ESF funding
(non-recurrent and many exempt)

235 have 16-18 Appren
(possibly exempt?????)

219 have no Appren
Of which 149 only TtG
and 33 only have ASL

7 providers with 19+ Appren

So will £500k quickly become £1m+?

Are you planning on entering into new Apprenticeship contracting arrangement for 2011/12?
(Pre-conference survey question 5)

Yes ~ as a sub-contractor but also with direct contract

Yes ~ as sub-contractor without direct contract

So lots of new sub-contracting arrangement planned for for 2011/12

I hope everyone is doing a thorough due-diligence and the pre-nup with legally binding contracts

No

75

Yes ~ as direct contractor taking on new sub-contractors

Yes ~ as a new direct SFA contractor

Find out about a potential partner

~ **Allocations spreadsheet** (22nd Sept http://tinyurl.com/2u4n4gm
and 15th Dec http://tinyurl.com/3ajecbm)

~ **Framework for Excellence** http://tinyurl.com/26w85ex

~ **Ofsted** www.ofsted.gov.uk

~ **UK Register of Learning Providers** www.ukrlp.co.uk

~ **ACTOR** http://tinyurl.com/33bpclx

~ **New MI Library** http://tinyurl.com/38p6ojz

~ **Companies House** http://tinyurl.com/5afua

Official guidance

Skills Funding Agency Guidance Note 6 v2
Latest policy on Minimum Contract Levels for 20011/12
http://tinyurl.com/2ugc9t5

2010/11 Apprenticeship Funding Requirements v2
Sub-contracting Requirements (Section 8)
http://tinyurl.com/2w5ltke

2009/10 LSC Funding Guidance v4.2
ILR Funding Compliance Advice & Audit Guidance (Section 6)
http://tinyurl.com/yzvxx2w

2008/09 ILR Funding Compliance Advice and Audit Guidance
Advice on Provision Delivered with a Partner Provider (Section 3)
http://tinyurl.com/3a6wcq2

Avoiding the pitfalls of audit

Rule 1: Understand the types of data quality

Rule 2: Do not only prepare for audit

Rule 3: Maintain data quality all the time

Rule 4: Know what is important for you

**Rule 5: Ensure SMT and Governors understand
how important you are**

**Rule 6: Rule 5 keeps us all in a job and the
college out of trouble ☺**

Data quality types

Important to understand the types of data quality

Validity (LIS error reports)

Credibility (LIS warning reports, DSATs, Ofsted, ILR FAQs)

Completeness (Data Dashboards and Annex P thresholds)

Timeliness (ILR Hard Closes and ER timeliness reports)

Relevance (are you using all the data you collect?)

SFA Policy Statement

Higher Risk Providers & Persons and Agency Contracting (03/11/10)

"a small number of providers have tarnished this otherwise positive relationship, and have achieved financial gain at the expense of both learners and the public purse, whether through ignorance or design."
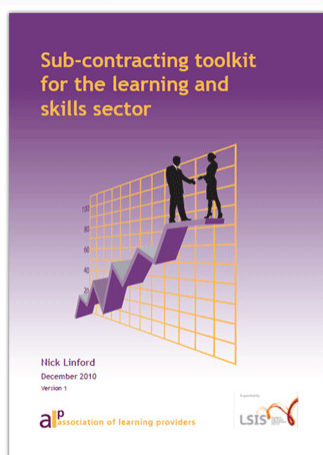
Additional criteria for rejection of providers

"previous activities that have resulted in significant repayment of funding (£100k or more)"

"two or more instances where the Agency's staff have audited the provision of the bidder and identified significant concerns resulting in a qualified opinion"

ACTOR helps implement this

New sub-contracting toolkit

Sub-contracting toolkit for the learning and skills sector

Nick Linford
December 2010
Version 1

association of learning providers   LSIS
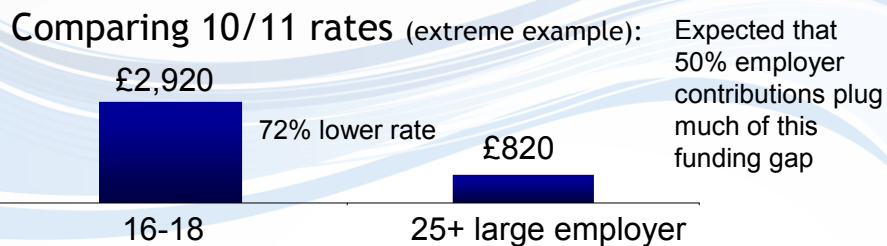
~ New policy context

~ Implications

~ Risk and Reward

~ Working principles

~ Handy guides
(funding, data, performance)

~ Contract contents

Download at **www.lsect.co.uk/toolkit.asp**
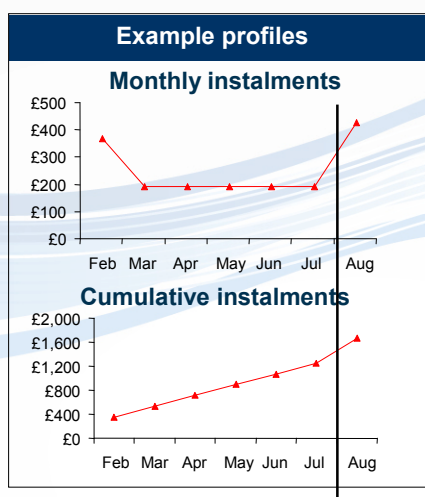
Can you afford not to charge higher fees?

> All 19+ Appren co-funded, so funding halved

> Additional 25% reduction for large employers

Comparing 10/11 rates (extreme example):

Expected that 50% employer contributions plug much of this funding gap

£2,920

72% lower rate

£820

16-18

25+ large employer

Skill Funding Agency considering lower future funding for providers not collecting fees now

In sub-contracting arrangements ~ who sets and collects fees?

Are you regularly re-profiling?

Example profiles

Monthly instalments

£500
£400
£300
£200
£100
£0

Feb Mar Apr May Jun Jul Aug

Cumulative instalments

£2,000
£1,600
£1,200
£800
£400
£0

Feb Mar Apr May Jun Jul Aug

New academic year

How does financial year impact on you?

2010/11 financial year (government budgets)

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	2011/12			
				Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul

2010/11 academic year (contracts)

This can lead to an 'on-off-on' approach to profiling from the Skills Funding Agency

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Do you think you will meet or exceed your current Apprenticeship allocation target for 2010/11?
(Pre-conference survey question 3)

No for both 16-18 and 19+

No for 16-18 but yes for 19+

76

Yes for both 16-18 and 19+

Yes for 16-18 but not for 19+
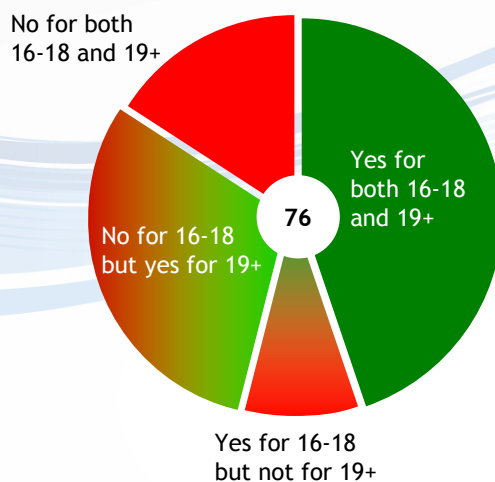
Future Lsect Funding Summits
~ places available

22nd March 2011 ~ Adult (LR) Funding Summit ~ Russell Hotel in London

29th March 2011 ~ Wolf Review Funding Summit ~ Morley College in London

Find out more and book a place at **www.lsect.com**

Thank you

Have a safe journey home

Sign-up for free update
at www.lsect.com

Lsect
Learning & skills ~ events,
consultancy and training