

Apprenticeship Funding Practiclass

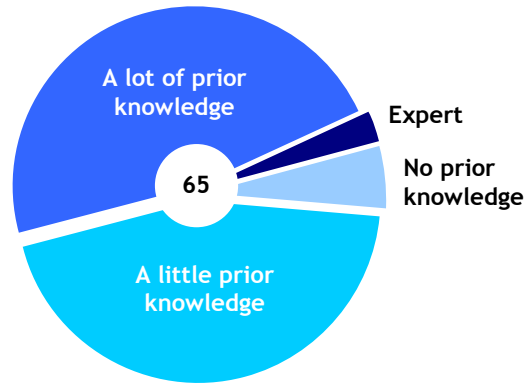


Summit programme

- 10.30 Welcome and introductions
- 10.40 Intro to funding the new Apprenticeship Frameworks
- 11.40 Refreshments
- 12.00 Planning, profiling and performance monitoring
- 13.00 Lunch
- 13.50 Funding Train to Gain in 2011/12 and beyond
- 14.20 Fee eligibility and maximising co-funding
- 14.50 Success rates and Minimum Levels of Performance
- 15.15 Programme-led provision and beyond 2011/12
- 15.30 Practiclass end

First a little about you

When you registered you were asked how much you already know about Apprenticeship funding

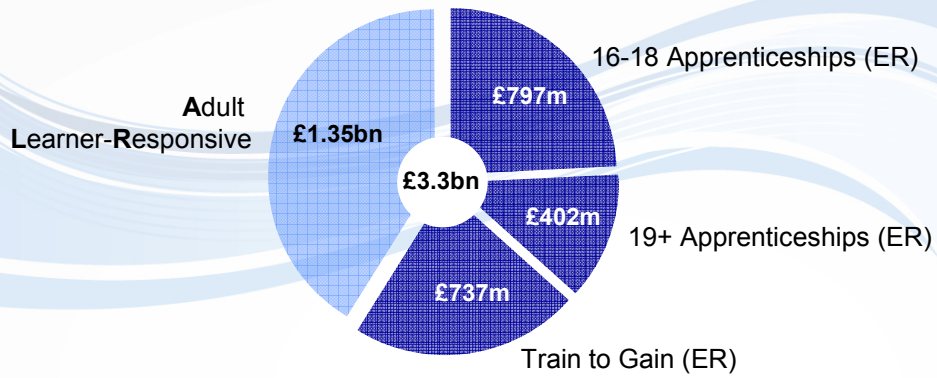


So a pretty even mix, so lets see if we can ensure everyone catered for

Intro to funding Apprenticeships

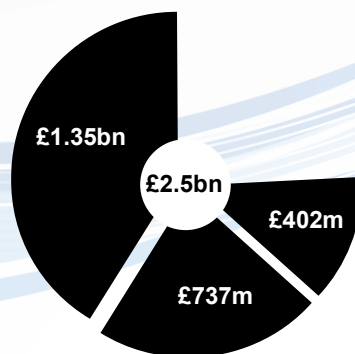
Let's start with the big numbers first

ALR and ER overview in 2010/11



Source: Individual provider allocations
(<http://tinyurl.com/2u4n4gm>)

Single Adult Skills Budget



The demand-led funded 19+ provision now with 'flexibility and freedom' for limited virement

More or less ER next year (2011/12)?

	National allocation	National rates
16-18 ↑	2.4% more (unlimited?)	2% less so £2,862
19-24 ↑	Lots more	4.3% less so £2,615
25+ ↑	A little more	4.3% less so £2,092
Train to Gain ↓	Lots less	4.3% less so £2,615

Reminder of Apprenticeship content

SSCs (Issuing Authorities) develop SASE compliant Frameworks with a minimum combined total of 37 QCF Credits, 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 : 280 Hours Minimum of which at least 100 GLH or 30% must be delivered off-the-job and **clearly evidenced**

Demand Led Funding formula

Apprenticeships are funded using the DLF funding formula, which is an enrolment based funding methodology

Therefore, every enrolment has an individual value

Elements in the ER demand-led funding formula:

- > Standard Learner Number (SLN)
 - > National Funding Rate (NFR)
 - > Programme Weighting Factor (PWF)
 - > Disadvantage Uplift (DU)*
 - > Area Cost Uplift (ACU)
- } Formula elements multiplied together equals maximum funding for the enrolment

* Not included for Train to Gain

Funding formula examples for 2010/11

NVQ Diploma in Beauty Therapy (QCF) : 50087654

16-18 year-old Appren

SLN	1.321
NFR	£2,920
PWF	1.25 (J)
DU	1.0851
ACU	1.00

Funding

Fully-funded 19-24 year-old Appren

SLN	1.321
NFR	£2,732
PWF	1.25 (J)
DU	1.0851
ACU	1.00

Funding

Sources of the DLF funding formula

SLN	Listed on the Learning Aim Database (LAD) for the relevant qualification and funding type
NFR	Set each year nationally 2010/11 figures shown here: <ul style="list-style-type: none"> - 16-18 non-school = £2,920 - 19-24 Appren = £2,732 - 25+ Appren = £2,186 - Train to Gain = £2,732
PWF	On the Learning Aim Database (LAD) for the relevant qualification and funding type
DU	Based on an postcode file and the <u>learner home postcode</u> (no uplift, or between 8 and 32%). Not used for Train to Gain.
ACU	South East England weighting based on the delivery location (ER)

Funding formula examples for 2010/11

QCF Diploma in Beauty Therapy (50090768)

Train to Gain

SLN	0.515
NFR	£2,732
PWF	1.15 (L)
ACU	1.2

Funding

Not fundable for Apprenticeships

No provider factor, which means PW is based on in-year value from the Learning Aim Database (LAD) and ACU is based on delivery location of the enrolment

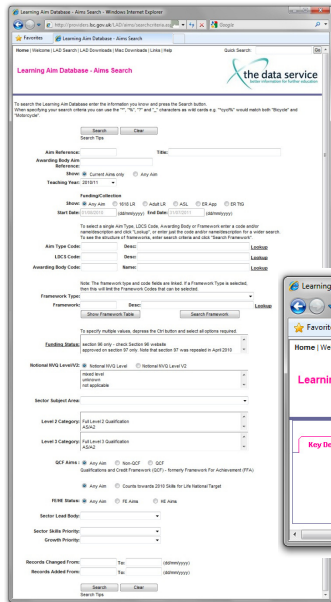
If 'co-funded' then 50% employer contribution percentage (ECP) is deducted

Achievement accounts for 25% of the funding (just main qual for appren)

On-programme funding is paid in monthly instalments - more of that later

Learning Aim Database

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



Search [] Clear []

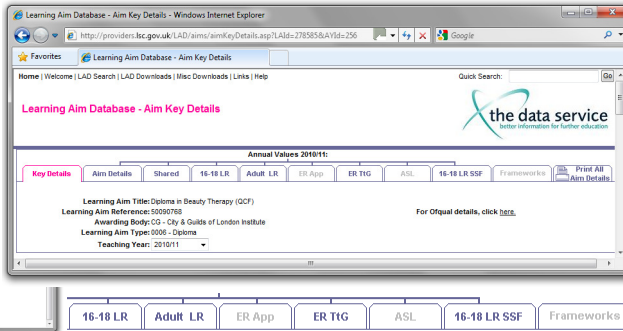
Search Tips

Aim Reference: 50090768

Awarding Body Aim Reference: []

Show: Current Aims only Any Aim

Teaching Year: 2010/11



SLNs and PWFs on the LAD

Programme Weighting Factors

16-18 LR: Validity					Start Date: 01/08/2010	Last Date for New Start: 31/07/2012
Funding						
SLN1	SLN2	SLN3	SLN Type	Programme Weighting Factor		
468			SLN_GLH	C		
Adult LR: Validity					Start Date: 01/08/2010	Last Date for New Start: 31/07/2011
Funding						
SLN1	SLN2	SLN3	SLN Type	Programme Weighting Factor		
459			SLN_GLH	C		
ER TIG: Validity					Start Date: 01/08/2010	Last Date for New Start: 31/07/2011
Funding						
SLN1	SLN2	SLN3	SLN Type	Programme Weighting Factor		
0.515			SLN	L		
16-18 LR SSF: Funding						
SLN1	SLN2	SLN3	SLN Type	Programme Weighting Factor		
468			SLN_GLH	C		

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

$$\text{SLN GLH} / 450 = \text{SLN}$$

Minimum attendance

This is commonly referred to as the 'definition of a start'

If an LR or ER withdrawal is before the minimum attendance period no funding is generated and the enrolment is not counted as a start

Planned duration (calendar days)	Minimum attendance
24 weeks or more	6 weeks
2 to 24 weeks	2 weeks
Less than 2 weeks	Once

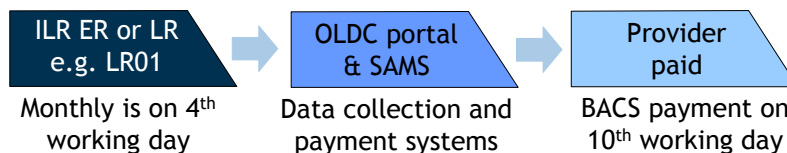
Co-funding (employer contribution) for 19+

50% of the weighted funding for all standard 19+ Apprenticeships

Claiming demand-led funding

Providers submit Individualised Learner Record (ILR) data online for funding and performance purposes

Monthly for ER (01-13) and less frequently for LR (01-05)



Other related software and databases:

- > Learner Information Suite (LIS)
- > Learning Aims Database (LAD)
- > Data Self-Assessment Toolkit (DSAT)

Refreshments

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Learning & skills ~ events,
consultancy and training

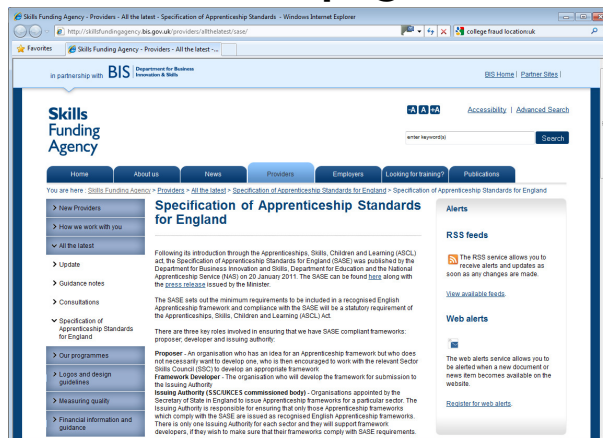
Planning, profiling and performance monitoring

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Learning & skills ~ events,
consultancy and training

Sources of Apprenticeship Framework information to help plan

- ~ Skills Funding Agency website
- ~ Apprenticeship Frameworks Online
- ~ National Apprenticeship Service website
- ~ National Apprenticeship Service spreadsheet
- ~ Sector Skills Council technical specification
- ~ The Learning Aim Database

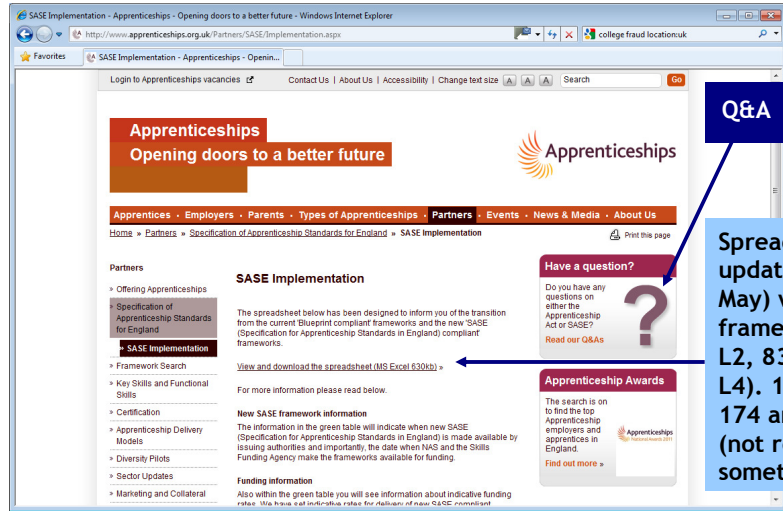
SFA SASE web page



<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

NAS implementation and spreadsheet



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

NAS implementation and spreadsheet

SASE - Framework Implementation Planner											
New Framework name	New framework number	Issuing Authority	Framework levels			Does this framework replace a current framework?	New framework published date	Date available on Learning Aims Database	16-18 Current indicative funding rate	16-18 Indicative funding rate from 1st August 2011 (Based on 1011 national rates and subject to change)	Link to framework documentation
Drinks Dispense Systems	491	People 1st	Intermediate Level	Advanced Level	Higher	Yes or No	20/01/2011	01/03/2011	€ 3,028	€ 3,028	491 Drinks Dispense Systems
Courts, Tribunal and Prosecution Administration	496	Skills for Justice	✓			No	11/02/2011	11/03/2011	€ 3,125	€ 3,125	496 Courts, Tribunal & Prosecution
Policy	497	Skills for Justice		✓		No	11/02/2011	11/03/2011	€ 6,293	€ 6,293	497 Policy

“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 Database 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.”

227 'current' in the frameworks library

(as at 19/06/11)

The screenshot shows the 'Frameworks library search results' page on the Apprenticeship Frameworks Online website. The search results indicate that 227 current frameworks, 0 archive frameworks, and 0 legacy frameworks were found. A table lists several frameworks, including 'Accounting (England)', 'Accounting (Wales) - non-statutory', 'Activity Leadership', 'Advanced Fitness', and 'Advanced Fitness (Wales) - non-statutory'. The table columns are Framework title, Issuing Authority, Level, and Framework ID. A sidebar on the right allows for narrowing results by Framework level (level 2, 3, 4, 5) and Nation (England, Wales).

Framework title	Issuing Authority	Level	Framework ID
Accounting (England)	Financial Skills Partnership	2,3,4	FR00520
Accounting (Wales) - non-statutory	Financial Skills Partnership	2,3,4	FR00508
Activity Leadership	SkillsActive	2	FR00532
Advanced Fitness	SkillsActive	3	FR00531
Advanced Fitness (Wales) - non-statutory	SkillsActive	3	FR00641

www.apprenticeshipframeworksonline.semta.org.uk

Technical Spec eg

“628 glh over 15 months”

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

“We would expect off-the-job training to be recorded in the companies training records and logs however we would not require to see these.”


The image shows the cover of an apprenticeship framework document titled 'Drinks Dispense Systems (England)'. The cover features the 'apprenticeship FRAMEWORK' logo at the top. Below the title, it states 'Issued by People 1st' and 'apprenticeship FRAMEWORKS ONLINE' with the website address 'www.apprenticeshipframeworksonline.semta.org.uk'. At the bottom, it indicates the 'Document status: Issued' and includes the Apprenticeships logo.

Learning Aim Database framework

Home | Welcome | LAD Search | LAD Downloads | Misc Downloads | Links | Help

Quick Search: (Go)

Learning Aim Database - Framework Aims and Common Components



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)	BIMB	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 Dispense Systems (QCF)
 Learning aim reference 50122058

Programme Weighting Factors

Annual Values 2010/11:

Key Details | Aim Details | Shared | 16-18 LR | Adult LR | **ER App** | ER TIG | 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
 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:

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

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>

ER on-programme funding instalments

The on-programme funding for TtG and Apprenticeships is the total funding less the funding for achievement*

The SFA pay monthly on-programme funding instalments based on submitted ILR data

The first month instalment will be worth twice as much as each of the remaining months (n+1 approach)

So, if 12 month course then each month is worth total on-programme funding divided by 13 (with month 1 paid twice)

e.g. £10,000 on-programme funding over 9 months would be in first month and for the remaining 8 months

* Achievement is 25% of total TtG funding and 25% of total main apprenticeship qualification funding

SASE Apprenticeship Funding example

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	
OP Instal Month 2	
OP Instal Month 3	

Achievement	
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

Apprenticeship Instalments Test 😊

Three month Advanced Apprenticeship in Beauty for 17 year-old delivered in outer-London during 2010/11

Framework elements	SLN	NFR	PW	ACU	DU	Funding
NVQ 3 (QCF)	1.739		J		1.0000	
Key Skill	0.08		A		1.0000	
Key Skill	0.08		A		1.0000	
Key Skill	0.08		A		1.0000	

Total

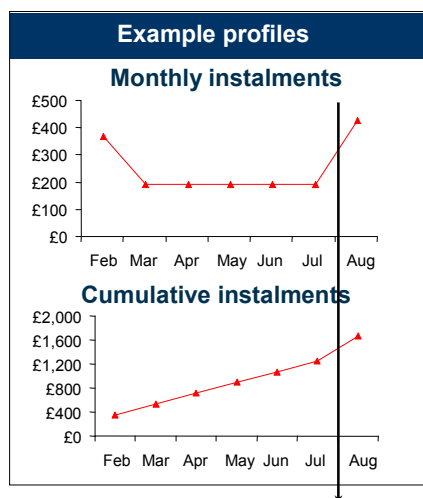
OP Month 1	
OP Month 2	
OP Month 3	

Achievement	
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Total funding

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

Profiling and quarterly performance review



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

Performance at Quarter 3

“As previously published, the tolerance at Quarter 3 was 5% and so, if a provider’s earnings were less than 95% of their year to date profile then (subject to a £10k de minimus) we will initiate a notification that reduces the Maximum Contract Value(MCV) back to the tolerance. As in quarters 1 and 2, Account Teams could negotiate this revised MCV with providers as necessary. A summary of the overall performance is that as at quarter 3, 27% of providers were delivering at or above 100% performance and 73% were below.”

“**For 16-18 Apprenticeships** £45m was recovered from underperforming providers. We have agreed to fund all the growth cases presented for the remainder of the 2010/11 year.

The total growth awarded for 2010/11 is £17m.”

“**For 19+ provision** £37m was recovered from underperforming providers. We have agreed to release £18m to fund all the growth requests including some work place learning; 19-24 Apprenticeships and fund those existing 25+ apprentices already in learning.”

Source: Skills Funding Agency, <http://tinyurl.com/5rbeoa3>

Lunch

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Funding Train to Gain

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Train to Gain summary

Being renamed and refocused on SMEs (SMELL?)

Changes for 2011/12

- ~ Non-entitlement Level 3 Train to Gain not funded
- ~ Non-entitlement Level 2 Train to Gain for non-SMEs (250+) not funded
- ~ ESOL funding in the workplace not funded

So entitlement (19+ first full level 2 and 19-24 first full level 3) remain fully funded (free) and non-first Level 2 for SMEs remains funded at 50% **(so fee expectation)**

Entitlement changes for 2012/13

- ~ Only 19-23 first full level 2 and 19-23 first full level 3 remain fully funded

Change for 2013/14

- ~ Introduction of loans at Level 3 and above (also for Apprenticeships)

Train to Gain Instalments Test ☺

Four full calendar months of QCF Certificate in Retailing (Level 2) in central London delivered during 2010/11

Qual	SLN	NFR	PW	ACU	ECP	Funding
Cert in retailing	0.429	£2,732	A	1.20	50%	

OP Month 1	
OP Month 2	
OP Month 3	
OP Month 4	

Achievement	
-------------	--

Total funding

19+ qualification fundability

The SFA QCF funding spreadsheets* <http://tinyurl.com/2vmcn8y>

QCF qualifications confirmed spreadsheet, last updated 01/06/11

TtG confirmed = 1,700

Example information for a **confirmed** qualification:

Accreditation Number	Qualification Title	Awarding Organisation	Level	Target Bearing Level 2	Target Bearing level 3	Sector Lead	Credit Value	Date added to list
50090788	Diploma in Beauty Therapy	CG	2	Yes		Habia	54	04/06/10

88 L1
823 L2
660 L3
98 L4
26 L5
5 L6

TtG conditional = 103

Example information for a **conditional** qualification:

Accreditation Number	Qualification Title	Awarding Organisation	Level	Target Bearing Level 2	Target Bearing level	Sector Lead	Credit Value	Date added to list	Last date for new starts	Comments
5006874X	Diploma in Cervical Cytology	CG	3		Yes	Skills for Health	215	15/08/10	31/07/2011	To monitor the impact on affordability

* Apprenticeships dealt with separately as part of mandatory Frameworks

Fee eligibility and co-funding

Apprenticeship framework funding

Apprenticeship framework funding varies significantly

Power Industry Apprenticeship (211) ~ 16-18 example*

Diploma in Electrical Power Engineering - Underground Cables (QCF)	£5,655
Certificate in Electrical Power Engineering - Distribution and Transmission Technical Knowledge (QCF)	£4,893
Key Skills in Communication	£234
Key Skills in Application of Number	£234
Total	£11,015

Customer Service Apprenticeship (263) ~ 16-18 example*

NVQ Certificate in Customer Service (QCF)	£3,121
Certificate in Customer Service (QCF)	£584
Key Skills in Communication	£234
Key Skills in Application of Number	£234
Total	£4,173

* 2010/11 rates and excluding both disadvantage and area cost uplift

Apprenticeship funding by age

Apprenticeship funding rates lower for 19+

Age at start	16-18	19-24	25+
Power Industry (211)	£11,015	£5,153	£4,122
Customer Service (263)	£4,173	£1,952	£1,562
Percentage of 16-18 funding		47%	37%

All 19-24 have an employer contribution rate of 50%

All 25+ also have a national rate 20% lower than the 19-24 rate

So employer contribution should plug this gap...

Apprenticeship funding large employer

Apprenticeship funding rates also less for large employer

Age at start	16-18	19-24	25+
Power Industry (211)	£11,015	£3,865	£3,092
Customer Service (263)	£4,173	£1,464	£1,172
Percentage of 16-18 funding		35%	28%

Large employer (1000+ staff) discount is 25%

Employer contribution expected to remain same

With as little as 28% of the 16-18 funding, how can colleges and training providers afford not to charge fees?

Apprenticeship co-funding summary

Funding for different Frameworks can vary significantly

All 16-18 fully funded (no fees)

19+ employer contribution always 50%
(but cash fee not compulsory)

Large employer contribution should be more than 50% (but cash fee not compulsory)

If earning as little as 28% of 16-18 rate, how can it be affordable not to charge a cash fee to the employer?

Success rates and MLPs



Success rates

The “**overall**” success rate measures the proportion of learning aims achieved against the overall number of learning aims completed. The overall success measure is based on the hybrid end year. The hybrid end year is the later of either the actual learning end year or the planned learning end year.

The “**timely**” success rate only measures learning aims achieved no later than 90 days after their planned end date (NB in the case of Apprenticeships, this has changed from 31 days). This is expressed as a percentage of the number of learning aims expected to be completed in the year.

In order to report timely success rates more accurately at each period, reports for period 6 show the success rate for Period 3 with data for the following 90 days included - i.e. outcomes for Periods 4, 5 and 6 of 2010/11. This harmonises the methodology with that used for Apprenticeship provision.

MLPs

“The Minimum Levels of Performance (MLP) report for an Apprenticeship provider shows whether the provision is above or below an [overall] success rate threshold of 53%. Where the provision is equal to or above the threshold it is shown in green and where below it is shown in red.”

In 2011/12 the TtG MLP threshold is 68%

“Where a provider is below the MLP thresholds and that underperformance contains employer responsive provision, Skills Funding Agency will remove provision. Providers will be expected to cease enrolling new starts in the sector subject area which is underperforming from 1 April 2011. This will impact on the provider’s funding allocation in 2011/12”

http://readingroom.lsc.gov.uk/SFA/ALP_MCL_FAQ_v4_April_2011.pdf

PLAs and beyond 2011/12

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Policy announcements

BIS Skills Strategy (Nov 2010) <http://tinyurl.com/35utxks>

SFA Guidance Note 6 (Dec 2010) <http://tinyurl.com/2ugc9t5>

SFA Guidance Note 7 (April 2011) <http://tinyurl.com/652d9ql>

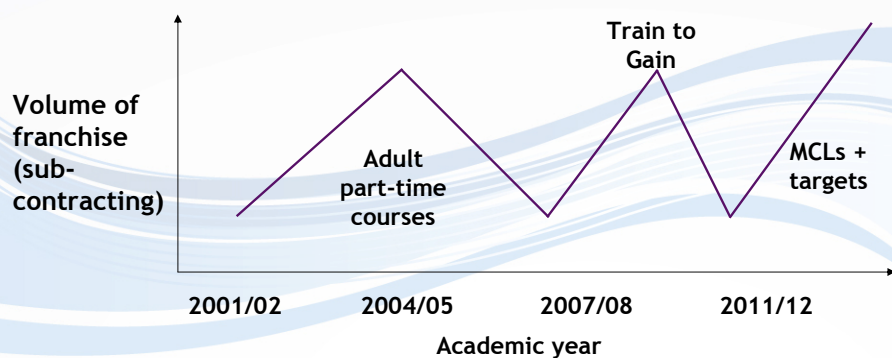
Programme Led Apprenticeships

“Transitional arrangements April - July 2011” for new starters aged 16-24 only”

“An “Access” strand within the Apprenticeships programme is being developed and is expected to be in place from 2011”

“Regulations are being drafted covering which ‘alternative completion conditions’ will be permitted”

Sub-contracting the future?



Risk or reward?

Beyond 2011/12

For 2012/13????

- Simplified rates structure
- Removal of provider factor (but area cost uplift retained)
- Simplification of data returns
- Simplification of learner support / hardship fund
- Disadvantage uplift incorporated into Learning Support
- Consider impact of fee collection on future allocations

From 2012/13, proposed changes to statutory entitlement:

Full funding for first full Level 2 and 3 focused on young people (19 up to 24 ie: to 23) - but not Apprenticeships

From 2013/14

FE Fee Loans introduced for Level 3 or higher qualifications (including Apprenticeships) where public funding is no longer available (learners aged 24 and over)

Thank you

Have a safe journey home

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

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