

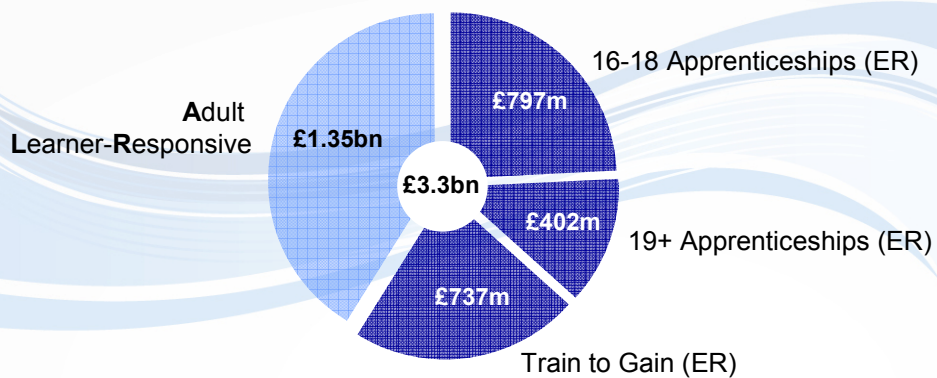
## Free or not for free?

The Art Workers' Guild, London

6<sup>th</sup> May 2011

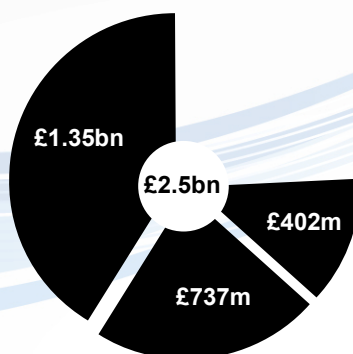
**Lsect**  
Learning & skills ~ events,  
consultancy and training

## ALR and ER overview in 2010/11



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

## Single Adult Skills Budget



Funding priorities: Pre-employment, Apprenticeships and Basic Skills

## 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
<b>Total</b>	<b>£11,015</b>

### 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
<b>Total</b>	<b>£4,173</b>

\* 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 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?

## Train to Gain summary

Being renamed and refocused on SMEs

### 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)

## **Lsect summer events across England**

- ~ Sub-contracting Funding Summit
- ~ Summer College Data Conference
- ~ Apprenticeship Funding Practicclass
- ~ Intro to funding for curriculum staff
- ~ Year-end data audit essentials
- ~ ESOL Funding Practicclass

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**Thank you**

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