

# Case study



## APPRENTICESHIP DELIVERY MODEL FOR FURTHER EDUCATION CLIENT

Specialist review in relation to the affordability of apprenticeship provision

## CASE STUDY: APPRENTICESHIP DELIVERY MODEL

We were approached by an FE College internal audit client to undertake a specialist review in relation to the affordability of its' apprenticeship provision.

Apprenticeship provision represents fourteen percent of all ESFA funded learners at the College, with 800 apprenticeship enrolments, generating income of approximately £2.5million.

The College has delivered apprenticeships for many years, both directly and in conjunction with subcontract partners. The College offers a diverse range of apprenticeships across different sectors and using various delivery methods, styles, and structures.

Apprenticeship income and profitability at the College has suffered year on year reductions which, coupled with quality performance concerns, has been impacting significantly upon the long-term sustainability of the apprenticeship offering. The College had tried different approaches, including structural changes and changing internal responsibility for the delivery of apprenticeship provision, employer engagement and 'sales' functions, but this had not addressed the issues.

We were appointed to undertake a review focusing on the key aspects of apprenticeship provision ranging from employer engagement, apprenticeship performance, planning and financial viability to identify areas where the College could address and improve the financial contribution from apprenticeship provision.

### Our review included the Colleges approach to:

- Business planning process for apprenticeships
- Resources allocation and deployment
- Current process and procedures for the apprenticeship journey, including business development, contracting and delivery
- Performance management information available and determine how this is used
- Approach to the calculation of course costings
- Employers fees policy and rationale
- Financial monitoring framework

Initial discussions with the College suggested they believed the problem might be resolved through changes to the pay terms and conditions for assessors, taking them outside the normal public sector pay framework.

However, our work highlighted that the lack of an apprenticeship strategy, with clearly articulated outcomes, roles, responsibilities and accountability performance metrics, was the real issue limiting the ability of the College to deliver effective and profitable apprenticeship provision.

### Our work also identified:

- high numbers of apprentices continuing beyond the learning planned end date as well as lower retention than might be expected
- little evidence as to how market research, employer feedback and labour market information has been used in shaping the resulting offer
- no coordinated engagement plans exist at industry level to drive the sales functions meaning employers may receive multiple and inconsistent messaging from the College with no coordination on employer relationships and targets
- lack of consistency and understanding as to the different aspects of employer engagement with clear expectations of the different roles, time spent and the return on investment
- The lack of visibility in relation to the performance and outputs of the sales team makes it difficult to determine their effectiveness, with most engagements with employers in the form of client account management
- Course costing and curriculum plan did not include any appropriate provisions to account for known factors, namely, retention, achievement or learners continuing beyond the learning planned end which impact upon the budget assumptions
- Principles in relation to allocating and monitoring training resources and group sizes have not been applied to apprenticeship provision meaning underutilisation of assessors or small groups in apprenticeships went unchallenged.
- Lack of responsibility and accountability for apprenticeship performance at a College wide level
- The College itself is a large employer and payer of the Apprenticeship Levy in its own right is not making full use of the Levy funds available

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