



Traineeship Funding Reform Consultation LWBLA Response

August 2014

Q1: Should Traineeships funding have a greater focus on positive outcomes than it does at present? (Paras 1-9)

No

We believe there is already currently sufficient focus on positive outcomes from the programme.

Providers are already clear on the expectations of high levels of progression both in funding terms as well as the Ofsted view of successful learning programmes.

Providers currently accept a high level of delivery risk in that Traineeship programmes require a high level of input on the part of the Provider and a high level of Employer engagement, which may not necessarily result in a positive outcome for the learner. In London any shift in funding towards the outcome could drive providers away from delivering the programme as the risk becomes too high to bear. The funding of 19+ Traineeships in particular is seen as relatively weak when compared to study programmes (16-18).

Q2: Is it important for successful Traineeship delivery to have greater consistency in funding arrangements between the 16 to 18 and 19 to 24 age groups? (Paras 1-9)

Yes – in theory a single funding model should apply irrespective of age. The input, set up and delivery costs and the risk element is exactly the same irrespective of the learner's age. The problem is in deciding which funding model to design given the current flaws and contradictions in both Traineeship policy, high costs of delivery and programme specification.

The existence of two funding models gives rise to different delivery models. We have no published evidence to know if the current funding models make any difference to outcomes or not – this requires more analysis.

Study programmes are clearly most suitable for 16-18 year olds and should be retained or a single funding model applied for traineeships of all ages comparable with the study programme model.

If a new funding model is introduced (for all ages) the average payment or value per learner allied to the ease of income drawdown will drive take up and outcomes.

The sensitivity of the actual funding per trainee is at the heart of making the programme viable.



The Traineeship programme is viewed in London as failing as it competes with both the JC+ Work Programme and EFA funded study programmes for a broadly similar individual learner client group.

Q3: Are Apprenticeships, other jobs and further learning the right progression outcomes to reward? (Para 12)

Yes

Q4: Are the principles we are applying to the definition of job outcomes the right ones? (Para 15)

Yes

Q5: Should the job outcome definition for Traineeships exclude employment under 16 hours per week? (Paras 16-17)

No.

Different industries and sectors have different standards so it is important that Government isn't indirectly penalising one type of business or industry over another.

In terms of young people returning to the labour market; the fewer restrictions on the number of hours deemed a success the more success we will see. Some young people are either carers, parents or have other health restrictions, which prevent them initially working a full 35-hour week. The lower hour's threshold allows flexibility for successful outcomes. Consideration may be given to a % allowance of 16hour job outcomes so there is no temptation to exploit this flexibility.

Q6: Should the job outcome definition include self-employment, provided that the individual has an income equivalent to at least 16 hours per week at NMW? (Paras 16-17)

Yes

Income varies radically for the self-employed so no income threshold should be set. In London we are increasingly seeing more and more industries favouring "contracting" or "self-employed" arrangements such as Creative & Media, Performing Arts and IT infrastructure building. This flexible approach will encourage young people to consider setting up a business in their own right and encourage the development and delivery of entrepreneurial curricula.



Q7: How far do the above examples support the principles set out in paragraph 15? (Para 18)

We believe the above examples/sectors offer a range of ways in which self-employment is a genuine, achievable and sustainable outcome for a young person undertaking a Traineeship.

Q8: What do you consider to be the benefits and drawbacks of each approach? (Para 18)

The benefits and drawbacks are clearly indicated in the consultation so this is an odd question. As Government defines each of these approaches in different existing programmes surely you have the means to evaluate which approach delivers the most in terms of sustainable outcomes? It looks as though Government is criticising itself?

The reality is that increasingly schools, Colleges and Providers are required to "track" and monitor learners post learning/training. This has become a feature of delivering government-funded programmes/provision. Providers will in the main conform to what is required (particularly as Ofsted make judgements on such things). The issue is (and will always be) the level of investment /funding which is available to ensure that Providers can ensure the highest levels of sophistication when developing and resourcing good tracking systems. If the Government chooses to reduce the average funding per learner on a Traineeship then in London the overall quality and performance will decline.

We would like to propose that some capacity building funding is periodically made available (perhaps annually) to ensure that Providers can make investments in such things.

There are a number of third sector organisations involved in the delivery of education and training programmes who with the right investment, could ensure they develop high quality tracking systems to demonstrate impact and success in delivery of Traineeships. We believe that Providers equipped with the right business tools can make a much more visible impact to successfully delivering on this agenda.

Q9: In your experience what proportion of trainees would you expect to progress into each of a) an Apprenticeship; and b) sustainable employment? (Para 18)

Impossible to say having seen no published data on the first year of delivery is available .

There is no current evidence to know what is a realistic progression into an Apprenticeship or sustainable employment.

In theory Providers would want to see all trainees progress into an apprenticeship or sustainable employment but realistically this is entirely at the discretion of the employer and the suitability of the trainee.



Q10: Do you agree that further learning should be defined using the same reference period as that for Apprenticeships and other jobs? (Paras 19-21)

Yes

Consistency of approach.

Q11: If not, what definition do you propose is used and why? (Paras 19-21)

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Q12: Should further learning as an outcome be restricted to particular types or levels? (Paras 19-21)

No

Further learning should reflect the needs and interest of the learner. With high quality IAG and strong progression arrangements within Traineeships programmes, graduates will be making decisions on the progression further learning being a necessary step to achieve their longer term goal.

Q13: Please provide details of what type of further learning after a Traineeship should be considered an appropriate progression outcome and give reasons for your answer. (Para 19-21)

Part time and Full time education

Q14: What proportion of trainees would you expect to progress into further learning? (Paras 19- 21)

We do not know. Does it relay matter so long as the policy is securing high quality outcomes. (See response to Q9).

Q15: How do you track learner outcomes currently and what do you use as evidence to validate outcomes? (Paras 22-23)

Providers currently use a range of tracking methods. There are examples of high quality CRM systems and the extension in use of PiCS/Maytas and other funding software which can track learners for long periods of time. There are more adhoc examples which use manual/spreadsheet systems. Some Providers also resource teams to follow up and track learners at all stages of their learning.

Evidence of successful outcomes can include;

- Certificates confirming qualification achievement
- Framework certificates
- Learner registration for Apprenticeship programmes (this is an easier task when the learner progresses within the same institution)



- Work experience diaries
- "moving on forms"
- Progression data analysis from CRM systems
- FE/Course confirmation/registration
- Letter of employment/appointment
- Copies of payslips/contracts

Q16: How could we use matched data now and in the future to support our understanding of outcomes for trainees? (Para 24)

Around tracking; this could be done through the NI number if robust systems were in place (this needs to be centrally lead and not a provider issue) - possible via HMRC.

Q17: Are these the correct principles for an outcomes-based Traineeship funding system? (Paras 25-26)

Not sure

It depends on the overall funding per learner and the % split of payments. The more you shift the traineeship policy towards Apprenticeships as set out in the trailblazer process with the 5 bands then Government should consider a parallel model.

Q18: Which of the four approaches do you believe would deliver the principles in paragraph 26 most successfully? (Paras 27-29)

2.

Under option 1 too much funding is held till the end and only paid on achievement which would mean providers would only select learners they were confident would succeed. Cash flow would also be an issue unless providers were paid 70% up front. Option 2 allows a staged payment but is simpler, and with fewer payments than option 4 which has monthly payments. There does need to be an engagement payment, but this is not featured in either option 3 or 4.

Q19: Are there alternative approaches that would better deliver the principles in paragraph 26? (Paras 27-29)

Funding is not the only way to control content and delivery. This should be achieved by consistent and transparent performance management.



Q20: Do we need additional mechanisms to prevent any abuse of the flexibilities in the programme, which could lead to insubstantial and insufficiently stretching programmes? If so, what do you suggest? (Paras 27-29)

Not Sure

Pilot and test any new funding model before rolling out any changes nationally.

Ofsted should ensure quality of training delivered (excluding the work placement) and the % of outcomes should be bench marked against the norm.

Q21: Do you have any comments on the proportion of the funding that should be paid at each stage of the programme? (Paras 27-29)

25% on a start, 50% mid point and 25% as an outcome.

Q22: Which option do you consider will make it most likely English and maths learning will be stretching?

We feel that the funding should be integrated as this would encourage the development of a more coherent programme.

Q23: Which option do you consider will make it most likely English and maths learning will be continued to completion after a traineeship has finished, and why? (Paras 30-35)

Option 2

Option 2 would make it more likely that the learner will achieve the qualifications. If the cost is not separated out we would have to ensure that there is a mechanism that allows the provider to maintain the support for the English and maths once the programme is finished.

Q24: Which option will be easier to administer for training providers, and why? (Paras 30-35)

Option 2.

Option 1 might be easier, but option 2 would be preferred.

Q25: Should the current arrangements for administering learning support funding to providers and financial support for learners continue to be applied to Traineeships from 2015/16? (Paras 36-37)

Yes.

The arrangements must be made clear to providers as we believe that they are not accessing all the support that might be available. It should be made clear that



although payments are made from delivery budgets the budgets will be increased to meet any support payments.

Q26: If not, what would you change as a means of bringing greater consistency to the way learners are supported across 16 to 24 Traineeships in order to best support disadvantaged learners? (Paras 36-37)

See Q 25 above.

Q27: Do you think that Traineeships funding should continue to be contracted through the existing arrangements, or aligned with the current Apprenticeship arrangements? (Paras 38-42)

Existing Arrangements

Ideally Traineeships should be a strand of provision within the overall ASB budgets. Traineeships should be given a high priority and providers should be allowed the flexibility to veer between Apprenticeship and Traineeship budgets. The Traineeship budgets for 16 -19 year olds should be managed alongside either EFA Study Programmes or if the provider has an SFA contract then as part of the ASB/ Apprenticeship budget.

Q28: Will the contracting route influence the position of traineeships alongside Study Programmes, Apprenticeships, or other programmes and if so how? (Paras 38-42)

Many EFA-funded providers perceive Traineeships as more complicated than Study Programmes for the provider but offering little added benefit to the learner. If the government wants Traineeships to have an identity of their own they should be taken out of the Study Programme heading.

Q29: Should the eligibility rules for 19 to 24 year olds be changed so that 19 to 24 year olds can undertake a Traineeship if they are qualified to a Full Level 2? (Paras 43-47)

No programmes should be exclusive unless you wish to disadvantage the most vulnerable.

Q30: Should this depend on the nature of the Level 2 qualification and if so how? (Paras 43-47)

No programmes should be exclusive unless you wish to disadvantage the most vulnerable



Q31: Should this depend on whether a person already has already reached a high enough standard in English and maths? (Paras 43-47)

Programmes should be inclusive unless you wish to disadvantage the most vulnerable. Focus should be placed on outcomes not entry levels. You may wish to put greater result led funding behind the Maths and English which would determine better results.

Q32: If a change is made, do you consider that it is necessary to make the change in 2014/15 or 2015/16? (Para 43-47)

2015/16

Too late for the 14-15 academic year.

Do you have any other comments that might aid the consultation process as a whole?

The current view of providers in London is that the Traineeship programme is an inadequate policy response to the need for properly funded work experience. Our consideration would focus on the following:

If the Government wants to secure a radical increase in take up then an incentive payment should be introduced. This should be made available to the trainee for completing the programme and securing an outcome. This should be in addition the funding per learner and paid to the learner. This would radically improve the use, esteem and financial return to the Government.

A Traineeship should be extended to include all Level 2 vocational learning to stimulate employer engagement with the added flexibility of including elements of the new trailblazer Apprenticeship standards (where specified by employers) to drive progression into apprenticeships.

English and Maths should be a flexible option not a requirement for this programme as it is primarily designed to secure to employment based outcomes.

The Government should invest heavily in Third Sector providers who tackle social inclusion locally with ESF and employer engagement such as the London LEP. This would reduce the competitive and contradictory nature of public funded programmes.

A Traineeship should have its own brand and a credible marketing strategy from Government, with an extensive commitment to use social media and Apps. The current arrangements are profoundly inadequate.