

Consultation on changes to funding recommendation

This response is on behalf of the Middlesex University.

Middlesex University is a major employer, with over 1,800 staff on our London campus. We have over 19,000 students at our North London campus in Hendon and a further 21,000 studying at our overseas campuses in Dubai and Mauritius or for Middlesex awards with partners around the world. Middlesex University has a global higher education footprint and plays a major role in the London skills ecosystem.

Does this explanation help you understand what a funding band represents?

Yes, to some degree.

Please specify:

Questions remain about how value from public investment is understood. Is value measured in terms of increasing productivity and social mobility as policy reform intended? Are industrial strategy and public sector priorities being weighed as of more public value than other areas, as we believe they should? We also require clarity on the process of allocation of a funding band. Does IfATE have a view on ensuring apprenticeships fundamental to the delivery of public services, or key to Industrial Strategy priorities, remain available and whether some are to be prioritised in line with this? Talking about “costs” is nuanced as what we are talking about is an estimate that is reflective of the costs to the provider. The employer is buying a provider service with a cost to the provider. The use of an alternative word, such as “price”, may encourage employers to think about the service they are purchasing. This service includes teaching and pedagogy, and the high value of knowledge creation and transfer that universities implicitly provide included into the price of their service.

Which aspects of the existing funding recommendation process would you like to retain in a new approach?

- sharing information on funding bands of standards with similar characteristics with trailblazer group**
- providing workshops to trailblazers early in the apprenticeship standard development process, which focus on the process of recommending a funding band**
- using training provider quotes as inputs to the process of recommending a funding band**
- using EPAO quotes as inputs to the process of recommending a funding band**
- using similar standards as inputs to the process of recommending a funding band
- using market costs as inputs to the process of recommending a funding band
- using specific funding input from employer-led Route Panels

Please specify why

We support the sharing of information when the organisations are truly similar and would ask for IfATE’s definition of “similar.” It is important to avoid making assumptions about comparability between organisations and their respective costs, without relying on specialists. In the public sector, approximately a third of starts (and a far higher percentage of Levy spend) are on apprenticeships at

level 4 and above. These apprenticeships are of key importance to Industrial Strategy objectives and plugging skills gaps and the funding bands must accurately reflect HE costs so that delivery is financially viable. Using market costs may skew the process, e.g. there may be providers with lower overheads that are able to offer cheaper prices, as opposed to HEIs, which cannot, as their prices reflect a broad learning experience involving learning professionals who are also bringing their own research and academic knowledge to enhance the experience. We are opposed to using specific funding input from employer-led Route Panels, which do not have specialised expertise to decide which costs are appropriate.

For the purposes of this consultation, we have used the term ‘formative assessment’ as outlined above. Do you think this is an appropriate term to capture these costs?

No.

Please specify why:

Formative assessment involves giving feedback without resulting in a grade and it is not necessarily the same as assessment that is differentiated from end-point assessment. There are forms of on-programme assessment where the apprentice needs a grade and to achieve a certain level in order to progress. “In-programme assessment” would be a more appropriate umbrella term to differentiate from end-point assessment. Summative assessment is key in Degree Apprenticeship – the fastest growing segment of the market, supporting the development of many public sector facing jobs into professional roles. The inclusion of £300 as the additional cost for mandatory qualification is too low for Degree Apprenticeship and we ask that IfATE ensure that their cost analysis includes a review of integrated Degree Apprenticeships, to reflect the higher costs associated, related to requirements for awarding degrees. We note that no EPAO for integrated Degree Apprenticeship was interviewed as part of the research programme.

Do you support using a weighted rate to help reflect circumstances that drive higher costs?

No

Please comment:

The data used is too heavily biased towards the historic provider base, FE colleges and Independent Training Providers (ITPs) and does not sufficiently reflect the future provider base for apprenticeships, in particular the growing role of HEIs. We also require transparency about the values that have been input into the model, so that HE providers can have a view on how representative the sample is. If the assumptions are generalised and only partially drawn from HE providers, they will be diluted by a broader range of providers who are largely delivering lower level apprenticeships. It could also give the impression that HEIs simply deliver limited ‘niche’ apprenticeship provision, which is not the case. We suggest that for higher and degree apprenticeships, the data be drawn from a limited number of organisations that provide these levels of training, notably HE, FE and larger training companies. In particular, “teaching costs” will be very different depending on the apprenticeship level.

If a weighted rate is used in the new model, would you support using the PCW for the weighting factor as outlined above?

No.

Please comment:

The Institute's work to increase transparency is very welcome however we do not believe this approach would not be representative and the rate assumptions in the research should be published. Notably, we believe that the methodology proposed and weighted rates for the various elements of the funding formula are insufficient to deliver Degree Apprenticeships.

Are there any other weighting options, which the Institute should explore?

As noted earlier there appears to be insufficient representation of HEIs and Degree Apprenticeship providers in the IFF study to draw conclusions for such providers/provision. Therefore, we question the validity of the results of the study when extrapolated to higher and Degree Apprenticeship and key areas of Degree Apprenticeship provision e.g. nursing/healthcare and police constables.

Middlesex would welcome the opportunity to work with IfATE to undertake a further analysis of the cost of delivering higher and Degree Apprenticeship and the value that HEIs can bring to the training of future apprentices. Thereafter we would welcome the opportunity to work with the IfATE and others to ensure that Funding Bands are recommended for higher and Degree Apprenticeship that ensure they remain viable to deliver.

Do you support using trailblazer group input to inform the teaching value by reflecting higher costs?

Yes.

Please specify:

We support this approach as the trailblazers are experts and clients in this employer-led initiative.

We query what "class size" means for the model if learning is delivered virtually and note that building a model predicated on people being in a room together may not be as representative as it could be regarding higher and degree apprenticeship delivery in the current context of the outbreak.

Would you be able to provide the information needed for a bespoke teaching calculation?

Yes.

Please specify

We need to take into account the specific nature of HE teaching costs and have concerns about the validity of the teaching rates that have been arrived at in the cost research. We would also ask that IfATE recognise the holistic learning experience, including the sharing of best practice and knowledge and skill transfer, received at an HEI.

What other evidence might be useful for a trailblazer group to provide for a bespoke calculation of teaching costs?

Regarding the specific nature of HE teaching costs, many staff in HE settings are engaged in research and other areas of knowledge exchange activity, which needs to be reflected in the approach for the funding bands to be sustainable for HE.

Do you support using trailblazer group input to inform the consumables value to help reflect the exceptional circumstances where higher costs are necessary?

Yes.

Please specify:

In our experience we find that trailblazer groups make appropriate recommendations.

Would you be able to provide the information needed for this type of consumables cost calculation?

Yes.

Please specify:

Yes, the specific expertise of providers will be valuable and necessary for providing the costs associated with different apprenticeship areas. For example, experienced nursing and policing staff who understand the actual consumables costs because they have first-hand experience of this, having delivered them programmes. We have modelled these costs for both our nursing and policing apprenticeships and they come out circa three times higher than the IfATE estimate in their model.

What other evidence might be useful for a trailblazer group to provide for a bespoke calculation of consumables costs?

HEIs working with the Trailblazer and PSRBs as appropriate would be able to advise. This should be part of the methodology to recommend an appropriate funding band.

Do you have any further thoughts on the proposals, including any suggestions for refining?

IfATE's approach to funding bands needs to be reviewed to align with the Treasury's review of the Apprenticeship Levy and the role of apprenticeships in the recovery from the pandemic.

We have concerns about the validity of the teaching rates generated through the cost research. As outlined above, teaching rates will be higher in a HE setting than those for a training company. We are also concerned that higher and Degree Apprenticeships in some critical areas (nursing/healthcare, policing, social work, STEM and construction) would become unfeasible to deliver for the funding band determined through the methodologies proposed. We therefore advocate ring-fencing the research, according to apprenticeship levels and similar types of providers.

We are opposed to using specific funding input from employer-led Route Panels which do not have the specialist expertise required. Trailblazer groups include specialists in the relevant occupations and are therefore best placed to understand the costs of an apprenticeship.

Finally, we suggest some changes to terminology used in the consultation as outlined above and in particular referring to "price" instead of "costs".