

Sussex Council of Training Providers Meeting

21st June 2017

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Education & Skills
Funding Agency

Going to Cover Today....

- The Education and Skills Funding Agency – Overview
- Provider Management Team
- AEB
- Traineeships
- Questions and Provider Feedback



What does ESFA do?

- The ESFA was created in April 2017
- It funds skills training for Further Education in England
- The ESFA replaces the Skills Funding Agency and the Education Funding Agency
- It supports over 2100 colleges, private training organisations and employers
- The ESFA is responsible for allocating £3.2 billion of funding each year and
- It is an Executive Agency of the Department for Education



What is its remit?

- The main function of the ESFA is to ensure that people and businesses can access high quality education and skills training
- The National Careers Service and National Apprenticeship Service are also run by ESFA
- The creation of a new agency means that the ESFA now has a remit to provide funding for older and younger learners
- Previously the former Skills Funding Agency took responsibility for older learners and the Education Funding Agency looked after school provision to the age of 19



Over the next year

- The ESFA will continue to support employers and help them use investments from the apprenticeship levy effectively by providing more apprenticeships
- It will be making sure funding supports as many learners as possible; while helping the government drive to boost social mobility through education and skills
- continuing with a strong stance on quality risk management and intervention; with schools, academies and FE colleges and their governing bodies



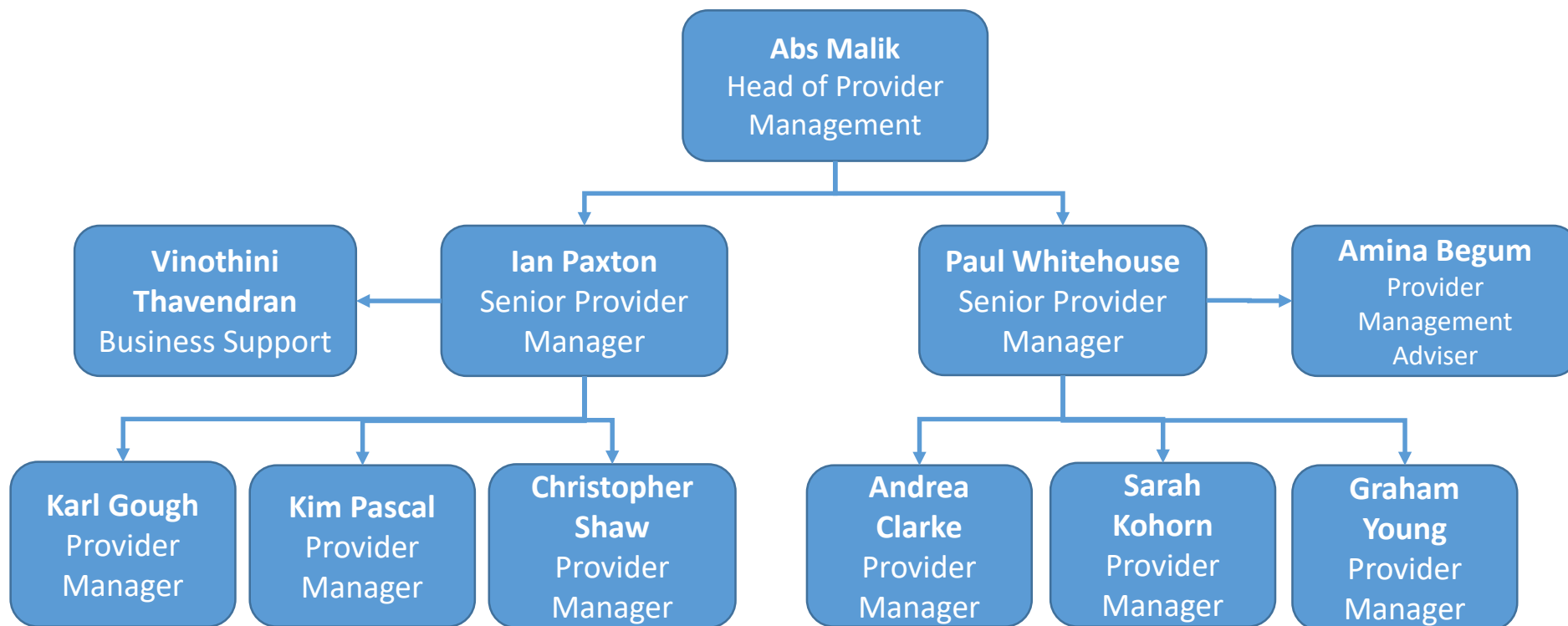
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What does this mean for providers?

- The ESFA will provide a joined up approach that will result in more accountability and a better service for our customers.
- To get the latest ESFA news you can follow us on
 - Twitter
 - LinkedIn
- Or sign up for one of our bulletins at www.gov.uk

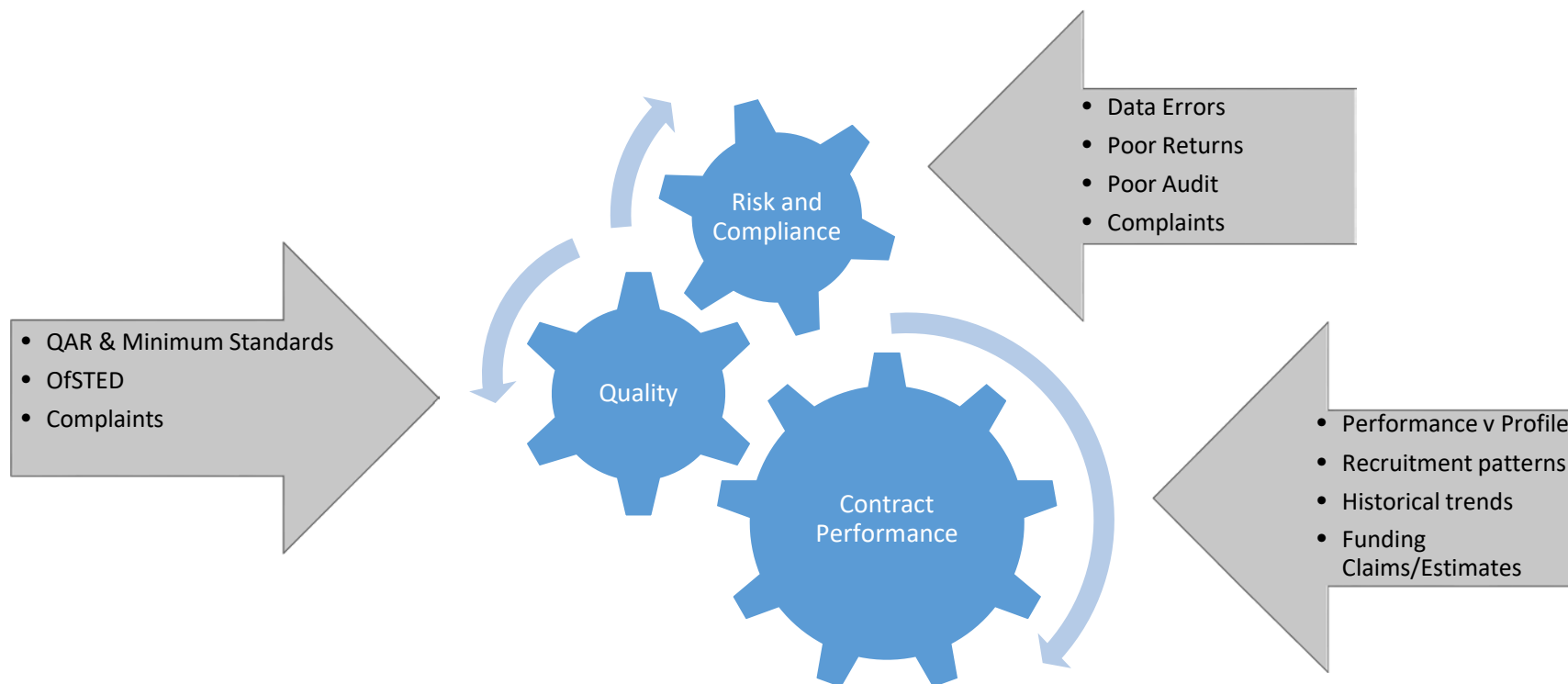


Provider Management – London and South East





The Themes and the Intelligence....





Impact of New Providers

- Public Commitment to support the “on-boarding” of new providers
 - Initial All-Day Workshop
 - Provider Surgeries
 - 1:1 visits
- The London and South East region now has 589 providers
- The team are mapping resource vs key business cycle milestones for the remainder of the calendar year



Adult education budget

- £1.5bn financial year budget
- Stability in budget, funding policy and performance management – traineeship growth remains a priority
- Grant-funded provider allocations rolled-over from 2016/17 values
- Funding simplification made on learners turning 19 during their course of study
- No direct impact of devolution this year – policy direction for 2018/19 and beyond being determined by ministers

Procurement

- Procurement launched in January 2017
- Invitation to Tender set at a minimum of £110m - open to all ROTO providers
- Response very positive and all bids now evaluated
- General election and purdah have affected planned timeline – next steps being finalised



Context for 2017/18 allocations

- 2017/18 involved a **mixed economy** of our usual approach to calculating and issuing funding allocations combined with 2 procurement exercises
- Policy and budget stability on **adult education budget** plus procurement necessitated by the end of ITP contracts
- New **apprenticeship funding system** and procurement fundamental change to the way we have historically distributed apprenticeship funds
- Budget growth and some policy change on **advanced learner loans** set in a context of promoting quality over quantity



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Traineeships

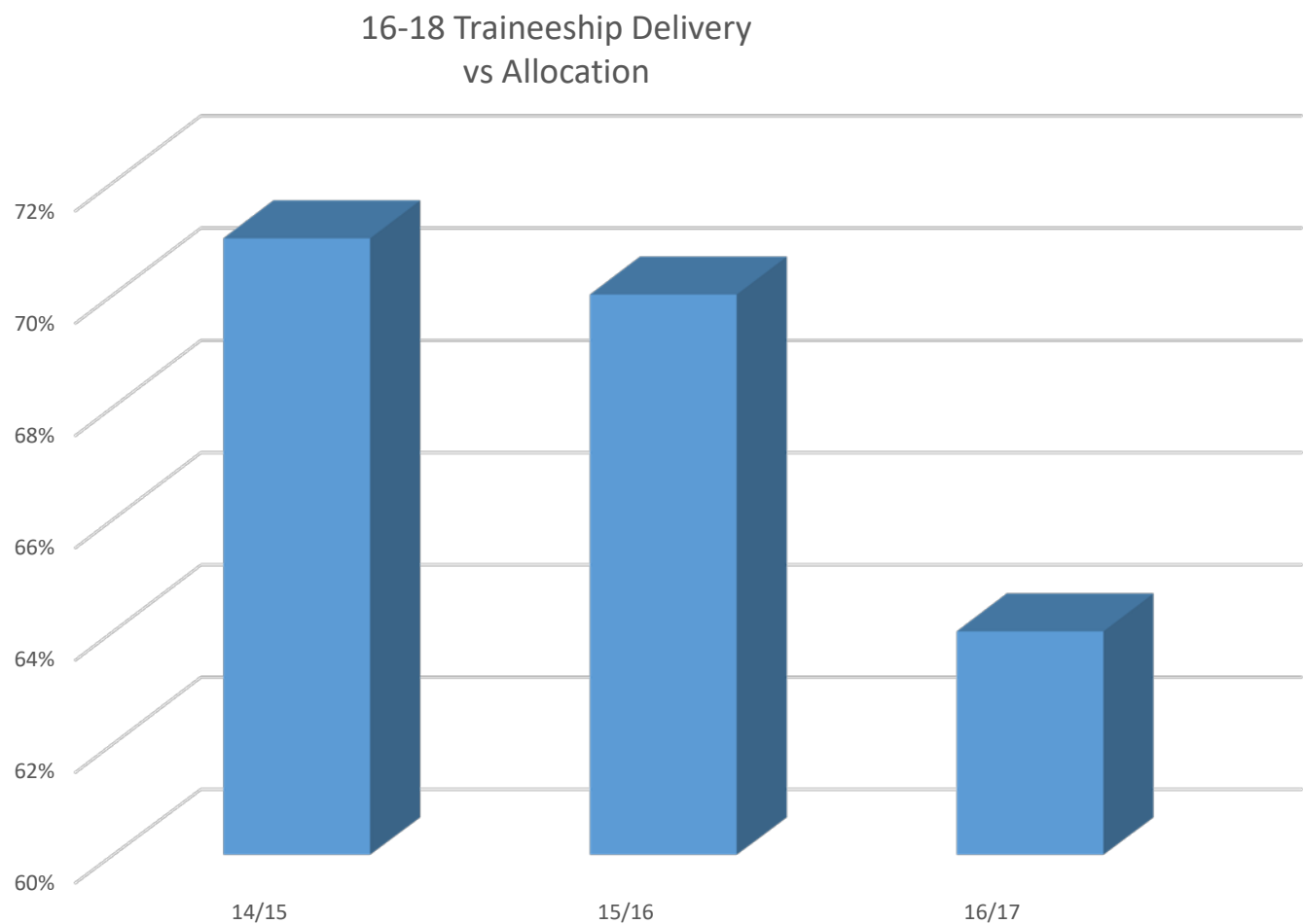
Aspiration over Actual Position

A traineeship is an education and training programme with work experience that is focused on giving young people the skills and experience that employers are looking for.

Traineeships are an ideal opportunity for young people, aged 16 to 24 (up to an academic age of 25 for those with learning difficulty assessments) who are motivated to get a job but lack the skills and experience that employers are looking for.

- Still considered a key element of the Apprenticeship Programme
- Aside from Apprenticeships continues to be the one element that has been considered for growth opportunity at Performance Point Reviews
- Despite aspirations of providers, shown through either the initial allocations or requests for growth, actual delivery is below provider expectations

Traineeship Performance



Year	Delivery (%) vs Allocation
14/15	71%
15/16	70%
16/17	64%

Provider View - What factors are impacting on the delivery of Traineeships ?

The Levy

Local Sector

?

Demand

Provider Caution

Funding

Learner
Engagement

?

Employer Demand