



# Funding for Engineering Degree Apprenticeships

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# Issues of funding for Degree Apprenticeships in Engineering

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## Key questions posted in paper

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- > Should there be additional funding for degree apprenticeships by employers to guarantee long-term sustainability of delivery? Would employers be willing to provide such additional funding?
- > Would employers be interested in contracting HEIs to offer additional services?
- > What action could HEIs take?

## HEA's views are based on

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- > Working with HEPs on developing Degree Apprenticeship strategies, curriculum design for DAs and working with a Trailblazer group
- > Facilitating conversations across the sector about the challenges and opportunities of Degree Apprenticeships
- > A history of supporting the sector to develop excellent higher level teaching and learning

# Funding issues are common to all Degree Apprenticeships

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Understanding and negotiating problems of funding is an institutional issue; clear institutional strategies for degree apprenticeships will enable decisions based on risks, costs and rewards

## Costs of delivering Apprenticeships

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- > What did the costing templates for these DAs include / exclude? Do they reflect reality?
- > Have you completed costing models for your DA programmes?
- > Do costs outstrip income? Or are margins small?
- > Clear view of costs will inform:
  - Whether to engage at all
  - Decisions on whether and how to develop 'lighter' approaches to delivery (and balance with concerns of quality)
  - Setting clearer expectations of what contribution from employers (mentoring, support, facilities, materials) is required
  - Approaches to employer engagement, e.g. Lots of Small employers or few large employers?
  - Whether and how to lobby Trailblazers and government

# Seeking additional funding from employers

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Providers can already charge more than the funding cap, so the question is how can providers convince employers that the price charged represents a high return on investment?

- > Some apprenticeship standards directly refer to the costs of apprenticeship far outstripping the levy funding available for them:
  - Product Design and Development Engineer: training and assessment “will cost circa £46K to deliver but will provide a very high return on investment in providing a pipeline in tackling scarce skills”
- > What appetite from employers for paying more than funding cap?
- > If current cohorts have paid a specific price, how would HEPs justify increased prices for future cohorts?

# Supporting employers to maximise apprenticeship success

Larger employers are already signalling concerns about their capacity and capability to support apprenticeships; HEPs can offer solutions as additional services

## Issues for employers

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- > Organisations wishing to develop their workforce through apprenticeships need to invest in support from the workplace (CIPD, 2017; Unionlearn, 2014)
- > Large employers are signalling a lack of readiness:
  - Limited opportunities for meaningful higher level learning in the workplace
  - Inadequate management and supervision arrangements
  - Workforce development strategies still based on other forms of high skills recruitment
  - Up-skilling existing workforce through apprenticeship
- > What about smaller employers?

## Additional services HEPs can offer

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- > Professional development for in-house mentors and supervisors at larger employers
  - Clear message to employers: Effectively facilitating higher level learning requires investment
  - Professionalise and promote recognition of this role: HEA accredited schemes and PG Certs with Associate Fellowship and Fellowship
  - *Academic Professional Apprenticeship Standard*
- > Flying squads of workplace mentors and supervisors for smaller employers
- > One stop shop for apprenticeship needs: implies strategic partnership

# What action could HEPs take?

Lobbying government may not be enough; proactive engagement with Trailblazer groups is also essential; we need to provide evidence to support our position

**Proactive:** Lobbying as a whole sector about funding caps (but careful: FE providers offering HE appear to be less concerned about funding...)

**Reactive:** Responding to consultations as individual organisations

ESFA and the Institute for Apprenticeships

Apprentice

Provider

Employer

For **new** standards: engage early; contribute sector knowledge; make friends!

- Assessment Plan heavily influences the cost.
- True integrated DAs may provide the space for lower cost delivery.

For **existing** standards: still engage!

- Encourage active review of progress (not review after 3 years);
- Offer Trailblazers compelling evidence and clear suggestions from improvement