

Competing for Contracts and Funding

FE colleges, private providers and voluntary organisations

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A new landscape for vocational skills

- Learning and Skills Council with responsibility for funding apprenticeships in all sectors (2000-2010)

New:

- Skills Funding Agency (2010)
- National Apprenticeship Service (2009)
- Young People's Learning Agency (2010)
- Learning and Skills Improvement Service (2010)



New policies

- **Adult Skills White Paper** (November 2010) – ‘demand-led’ system, loans and Learner Accounts
- **Skills For Sustainable Growth** (November 2010)- focus on business sector requirements
- **Investing in Skills for Sustainable Growth** (November 2010) - 25% budget cut, focus on young people and unemployed adults
- **The further education and skills sector in 2020: a social productivity approach** (2020 Public Services Hub report commissioned by LSIS, May 2011) – the role of learning and skills provision in a context of wholesale public service reforms



Funding for learning and skills

- 16-19 funding rates frozen
- 25% cash cut for SFA over several years
- Priority to apprenticeships and jobseekers
- 3% cut per student in 2011/12
- Individuals and employers pay more fees
- Loans for 25+ level 3 students from 2013
- Increased funding for Adult Apprenticeships (£250m)



Competing for contracts: FE Colleges

- Contracts come from the Skills Funding Agency and Young People's Learning Agency
- A minimum contract level of £500k means that FE Colleges are best placed to be the prime contractors
- Voluntary organisations have to merge laterally to gain scale; or enter sub-contracting relations with FE Colleges

A level playing field?





Sub-contracting with FE Colleges

- FE Colleges are tasked with working with, through and for their local communities
- Challenge is to recognise unarticulated demand from poorly represented sections of their community
- VCO learning organisations are well placed to assist delivery of FE courses
- Voluntary sector- specific Apprenticeships



Voluntary Sector Partnerships

- Voluntary Sector Learning and Skills – a well developed sector
- Expertise, insight, capacity, positioning
- VCS employers can offer Apprenticeships, work placements, volunteering opportunities
- Engagement in wider civil society for students and staff



Competing for funding?

- Contracts are structured for ‘winner takes all’ competition
- Outstanding FE Colleges will practise effective community engagement through partnership sub-contracts with VCS orgs
- Shared vision and commitment to the learning needs of a locality can level the playing field dramatically

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