

**External: IFA&TE and ESFA (funding)**

**The Institute for Apprenticships and Technical Education**

[***https://www.instituteforapprenticeships.org/about/***](https://www.instituteforapprenticeships.org/about/)

The IFA&TE website provides the full description of their role.

In short the IfATE:

* Works with groups of employers known as Trailblazers to develop new Apprenticeship Standards -

[https://www.instituteforapprenticeships.org/apprenticeship-standards/]

Right through from Level 2 (GCSE equivalence) to Level 7, Post Graduate Apprenticeships. It is possible for Providers (like SHU to take on an advisor role in that process. This can be advantageous.

* Following the receipt of three provider quotations, the IfATE advises the Office for Students (OfS) on the appropriate funding band for the maximum funding of each apprenticeship (employers can negotiate to pay more, but that is not the norm). The IFA&TE advice to the OfS usually sticks.
* This advice on funding bands also applies to reviews of each standard every three years. SHU has been frequently asked to provide quotes. A note of caution: This should only be done in consultation with BESE to ensure the quotes only include fundable components and are not based on costs that cannot actually be funded.
* The Institute has a role overseeing External Quality Assurance (EQA) across all EQA providers to ensure quality, consistency and credibility. They are accountable for the quality of apprenticeships and technical education.

**The Education and Skills Funding Agency** <https://www.gov.uk/government/organisations/education-and-skills-funding-agency>

The ESFA administers the funding for Apprenticeships through two key mechanisms. Levy payers (employers with a paybill of over £3 million) draw down their funding from their own digital account and can spend their levy bill on apprenticeships up to the funding cap for each apprentice. There is no limit on numbers for an employer and they can procure any registered provider until their levy pot runs out - after which they are treated as Non-Levy payers. Employers are increasingly selecting their preferred provider through procurement / bidding exercises.

Non-levy payers (employers like SMEs with staff pay bills below £3 million) are able to obtain 95% if the funding band amount from the ESFA, as long as their preferred provider has a "Non-Levy" contract with the ESFA. SHU has to renew that ESFA "non-Levi" contract annually and carefully manage the release of funds to smaller employers. The Directorate of Business Engagement Skills and Employability (BESE) operate these funding and contractual functions on behalf of the University.

The ESFA also publishes frequent revisions to the funding rules. There have been significant developments to these rules since te 2015 and ongoing reforms. A key reform was the introduction of contracts for delivery that must exist between every employer and their selected provider. At October 2019 BESE manages Apprenticeship Framework Agreements with XX employers.

SHU's funding guidance to employers can be found here: <https://www.shu.ac.uk/business/develop-your-people/higher-and-degree-apprenticeships/funding-and-incentives>