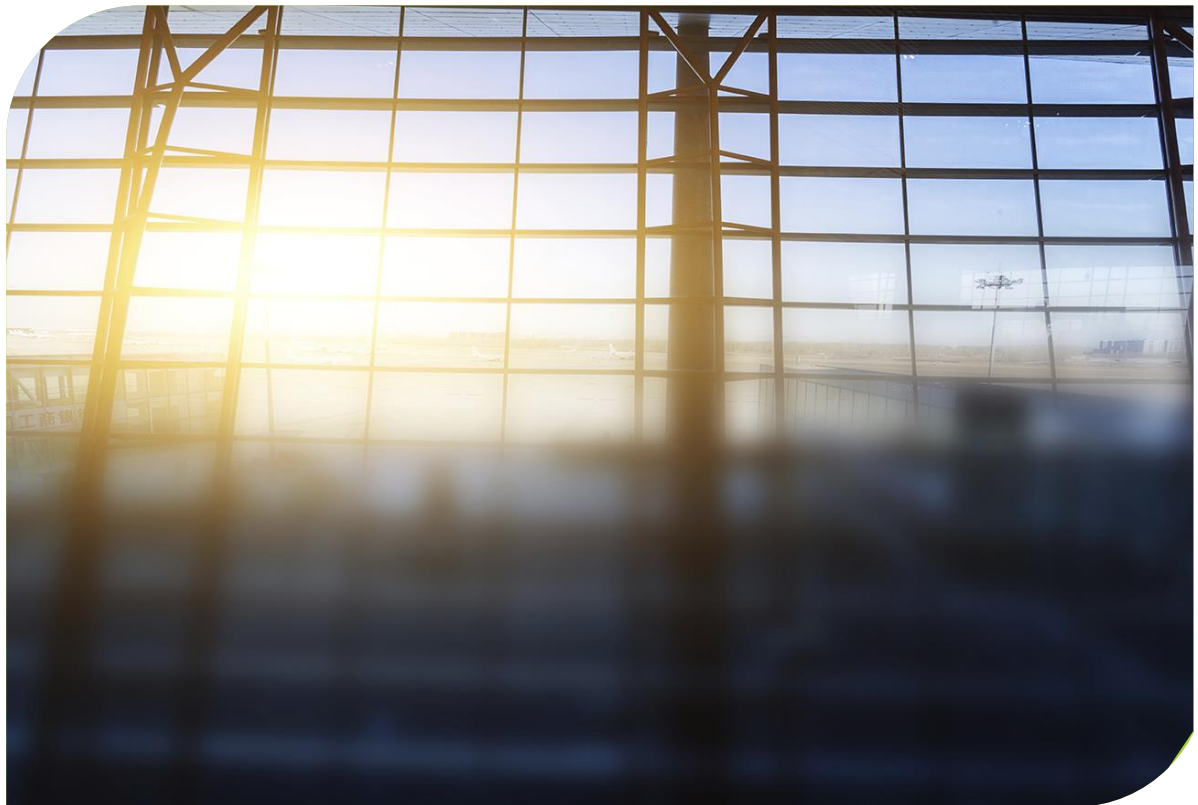


Cost of Apprenticeship Training - technical report

The Institute for Apprenticeships and Technical Education
and the Education and Skills Funding Agency

February 2020



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1 Introduction

- 1.1 The Institute is responsible for advising the Department for Education on funding for individual apprenticeships. All apprenticeship standards are currently allocated to one of thirty funding bands, the upper limit represents the maximum contribution that the government will pay towards that standard. The Funding Team within the Institute recommends an appropriate funding band for each apprenticeship to the Department for Education (DfE), as well as reviewing existing funding bands to make sure they support high quality delivery and maximise value for money for employers and taxpayers. The Secretary of State ultimately makes the final decision on funding bands.
- 1.2 In its 2018/19 Business Plan¹, the Institute outlined that it is working with the DfE to improve its approach to pricing apprenticeships in the long-term. The research supported that aim by providing the Institute with up to date and granular data to enable consideration of the individual costs associated with training and assessment of apprenticeship standards. The project's overarching aim was to provide the Institute with robust evidence on the actual costs of training and end-point assessment (EPA) for apprenticeship standards. The data generated by the project serves three main objectives in relation to this aim:



Form a 'baseline' input underpinning the Institute's process for making funding band recommendations for new apprenticeship standards and reviewing previously-allocated funding bands



Inform development work on how the process for making funding band recommendations could be improved in the future



Inform DfE's approach to apprenticeship funding policy

- 1.3 The research spanned two audiences: apprenticeship providers and end-point assessment organisations (EPAOs).

¹ <https://www.instituteforapprenticeships.org/media/1950/institute-business-plan-2018-2019.pdf>

Overall approach

The research seeks to understand...

- ✓ The typical cost of delivering apprenticeship standards across different levels and sectors
- ✓ The granular detail of how costs are made up from different elements of training and assessment
- ✓ The key factors or variables that produce a significant difference in either the overall or granular costs
- ✓ Wider factors which may affect providers' commercial decisions around offering apprenticeships.

Stages of the research



Stage 1a & 1b – Piloting and development of the costs tool



Stage 2 - provider and EPAO data collection (online tool & visits)



Stage 3 – qualitative in-depth follow up interviews



Stage 4 – validation, analysis and reporting

1.4 The methodology used a qualitative and quantitative approach, quantitative data was collected from providers and EPAOs through a data collection tool, and an interview was then conducted to verify this data, which was more qualitative in nature. A separate in-depth qualitative follow-up stage was also undertaken.

1.5 The overall methodology comprised:

- **Stage 1:** a two-step piloting and testing phase to develop the data collection tools.
- **Stage 2 training providers:** collection of cost data from providers, covering:
 - An online tool to collect apprenticeship costs incurred by apprenticeship providers, this was split into two phases, the first was completed by 120 providers covering 185 data points, the second was completed by 18 providers covering 19 data points²;
 - Follow-up depth interviews with all providers to cover the standards for which they had completed the online tool. These were conducted both in person and over the phone.
- **Stage 2 EPAOs:** collection of cost data from EPAOs, covering:

² A 'data point' refers to the data submitted for each specific standard. Some providers who submitted data for more than one standard will have multiple data points in the final dataset. E.g. where providers completed three interviews/submitted data for three standards these will represent three data points in the final data.

- An excel data collection sheet to collect costs incurred by EPAOs in delivering the EPA. This was completed by eight organisations covering 17 data points;
- Follow-up depth interviews with eight EPAOs to cover the standards for which they had completed the excel sheet. As with providers, these were conducted through a mixture of in person and telephone interviewing;
- Supplementary data was collected from a further nine providers, covering 23 standards, these providers agreed to complete a 'summary' Excel sheet providing headline costs for EPA delivery.
- **Stage 3:** a separate qualitative stage was undertaken after stage 2, with 30 in-depth interviews undertaken with finance leads, or another nominated contact, who could talk about the costs of apprenticeship delivery at an overall strategic level (rather than at a specific standard level). Overall, 25 interviews were undertaken with training providers, and five with EPAOs.
- **Stage 4:** the data was cleaned, validated, analysed and reported during this stage. More detailed information is provided in the sections below.

2 Pilot (Stages 1a and 1b)

2.1 The pilot for the research was split into two distinct stages:

- **Stage 1a** involved cognitive testing of a draft questionnaire and datasheet with four providers and one EPAO to inform the design and structure of the datasheet used to collect costs;
- **Stage 1b** tested refined versions of both the questionnaire and the datasheet, based on learnings from stage 1a, in nine further interviews with providers in order to establish whether providers were able to provide the required costs and also to develop the methodology to inform timescales for stage 2 fieldwork.

2.2 We were provided with a list of potential leads at stage 1a by the Institute and prioritised contacting these providers for the pilot stage of fieldwork. We sourced EPAOs from the Register of EPAOs. Sample was drawn on a 4:1 conversion ratio for the pilot phase of the research.

2.3 Stage 1b interviews were conducted between 17th December 2018 and 16th January 2019. Prior to starting recruitment, advance letters were sent to named contacts within providers where possible and addressed to 'Head of Apprenticeships' where we did not have access to specific contact details. Many of those who participated in stage 1b had been recruited ahead of stage 1a fieldwork but had not been able to take part within the timeframe (stage 1a interviews were carried out between 23rd November – 3rd December 2018).

2.4 These letters were followed up with a phone call to discuss the research and to encourage participation. The initial call also served to confirm the standards offered by that organisation and to identify the appropriate person (or people) within an organisation who would be able to provide detailed financial information on the specified standard. In multiple cases in order to collect complete data, interviews needed to involve multiple staff members, usually a member of the finance team and a program lead. When speaking to providers, those offering multiple standards were prioritised in order to maximise the number of standards we were able to cover during the pilot fieldwork period.

2.5 As shown in Table 2.1, quotas for recruitment were set based on type of provider, and completed interviews included respondents from five provider types:

- End Point Assessment Organisations (EPAO);
- Further Education (FE) Colleges;
- Independent training providers (ITP);
- Employer Providers; and
- Higher Education Institutions (HEIs)

2.6 Of the nine stage 1b interviews, eight were carried out as face to face interviews and one was conducted as a telephone interview.

- 2.7 An interim findings report was shared with the Institute and the DfE following stage 1a, and a joint workshop held with IFF, the Institute and the DfE in attendance to discuss findings, initial lessons learnt and agree changes required ahead of stage 1b.
- 2.8 Taking on board learnings from stage 1a, datasheets were emailed to respondents at least 48 hours in advance of the arranged interview to enable respondents to adequately prepare for the interview and collate the data required to complete the datasheet. Providers were asked to provide costs and data based on a 'typical' learner on that standard.
- 2.9 Initially, visits to providers were based on interviews being conducted with one respondent per standard and were expected to take an hour per standard. In reality, due to the level of detail required in the datasheet, many interviews exceeded this and lasted between one and three hours to cover one standard, often involving multiple respondents. The interview consisted of a semi-structured conversation with respondents, following a topic guide which correlated with the order of the datasheet and aimed to develop a deeper understanding of how respondents had approached completing the datasheet and specific feedback on individual fields.
- 2.10 Overall, respondents were very willing to engage at the pilot stage. No pilot respondents refused to take part and the main reason for not participating was due to respondents being unavailable within the given timescales. Once recruited, respondents were also very willing to commit a considerable amount of time to completing the datasheet accurately, both before and after the interview. Respondents were keen to ensure that their costs were accurately captured and communicated to the Institute for the project.

Table 2.1 Breakdown of achieved interviews

Provider Type	Target	Completed in stage 1a	Completed in stage 1b	Completed OVERALL
EPAO	2	1	1	2
GFE	2-4	1	3	4
ITP	2-4	2	2	4
Employer Provider	2	1	1	2
HEI	2		2	2
Total	12	5	9	14

Pilot findings

- 2.11 The methodology adopted for stages 1a and 1b provided valuable insight into the practical implications of our proposed fieldwork approach. After carrying out stage 1b, there were some considerations and learnings which we recommended being implemented ahead of stage 2.
- 2.12 The time commitment required of respondents was one of the key learnings from stage 1b. In order for participants to complete the spreadsheet and collate all of the necessary data ahead of taking part in an interview, respondents reported spending 5-7 hours on preparation for the interview with the interviews themselves taking an average of two hours. This did not however impact on respondents' willingness to participate as once recruited, providers were very

engaged with the research and very keen to contribute. Therefore, amends were required to the methodology to ensure each respondent could provide a complete set of cost data.

- 2.13 We recommended from the pilot structuring recruitment to give respondents a longer lead-in time and being sent a link to the online tool at least 1-2 weeks prior to taking part in an interview. The pilot also suggested it would also be beneficial to provide respondents with a more detailed overview of what was required of them during the initial recruitment phone call, in order to ensure they were able to commit the necessary time to provide as accurate costs as possible.
- 2.14 We identified the need to implement more detailed recruitment criteria in order to ensure that the respondents that were recruited were able to provide all of the information needed. Further screening questions were introduced to determine for providers whether they have had learners complete the standard and for EPAOs, to check that they have delivered EPAs. This helped ensure that respondents were less likely to rely on hypothetical calculations and able to answer questions using real costs throughout the datasheet.
- 2.15 In addition, we recommended a two-step recruitment process to include a post-recruitment phone call with respondents to assess their progress in either collating the data or inputting their costs directly into the online tool ahead of the interview itself. We found there was a significant degree of variability at stage 1b in the amount of preparation carried out by respondents prior to the interview, with some having near-complete data whereas some had begun to fill in certain fields but (usually due to time constraints) had been unable to collate data on all the fields required. By adding this additional structure to the recruitment and interview process, this would provide the respondents with adequate support to provide the level of detail required to provide a full cost breakdown.
- 2.16 The pilot phase of the study found that most providers were both willing and able to provide the level of detail required to calculate an accurate cost for each standard. There were some difficulties around providing a cost 'per apprentice' for some fields of the costs sheet which were addressed at stage 2 of the research to enable a degree of flexibility for providers to submit costs on either a 'per typical apprentice' or 'per typical cohort' basis depending on what would be most convenient and accurate for them. The pilot identified it was crucial that each data field was carefully and comprehensively defined to ensure that all providers recorded data in a consistent way.
- 2.17 In terms of sampling, our original assumption had been that we would interview around 100 providers to obtain data across 55 apprenticeship standards. Within these 55 standards, 50 would require cost information from five providers and five more niche standards would require cost information from one or two standards, hence obtaining cost information on an average of 2.5 standards per provider. We found during the pilot stage that due to the length of time required from each provider to provide costs for each standard, our original assumption of covering 2-3 standards per provider would be challenging. We therefore anticipated needing to increase the number of providers recruited in order to reduce the burden on individual respondents.
- 2.18 To balance the additional time required to conduct interviews with multiple providers, we recommended carrying out some of the interviews by phone rather than face to face. Based on findings from stage 1b, where some respondents had been able to complete nearly all fields prior to the interview, in these instances, a phone call would suffice to discuss the figures they

had provided and talk through any difficulties or specific context for the figures given by that provider.

- 2.19 The pilot phase utilised a multi-tab spreadsheet, split by cost type, which although comprehensive, could not incorporate routing or filtering on an individual provider basis. This was a working draft which was introduced to respondents as a tool to aid development of an online tool for stage 2. We identified that the online tool could include routing to filter fields required, ensuring that providers were not overburdened and were only required to provide cost data for fields that were specifically relevant to them. The online tool was developed in parallel to fieldwork during stage 1b and key recommendations incorporated. The recommendations incorporated into the online tool development are summarised in Annex 1.
- 2.20 A similar spreadsheet format was used to collect cost data from EPAOs during the pilot, following the pilot we recommended this format was retained for stage 2 as it was a simpler sheet to populate and the sample size much smaller.
- 2.21 Learnings from stage 1a and 1b suggested that rather than one respondent being able to comprehensively provide the costs for one standard as had been originally planned, in reality, one standard often required input from 2-3 individuals within a department to give a complete set of data. To ensure that complete data was collected in each case, respondents were able to re-access the tool after they had initially submitted their data, in case they needed to revise any figures or input any additional data; the data tool remained 'open' until verified by a member of the research team, either during a face-to-face visit or during a phone interview.
- 2.22 Stage 1a and 1b both demonstrated a very positive response when good sample ratios were in place. However, we also noted the final selection of standards and availability of sample would impact on what was achievable.

3 Data collection from providers (Stage 2)

Sampling and recruitment

Training provider sampling

- 3.1 The initial brief stipulated obtaining data across 55 apprenticeship standards, with 50 requiring cost information from five providers, and five (more niche standards) requiring cost information from 1 or 2 providers.
- 3.2 In our original proposals, we recommended a minimum 4:1 ratio when contacting providers to participate. Based on achieving cost information on five providers each for 50 of the standards, and one or two providers for five of the standards, we estimated we would need to contact around 400 providers. This assumed each provider would be able to report on an average of 2.5 standards.
- 3.3 Following the pilot, we identified that due to the time required for providers to prepare the necessary data for a single standard, we would need to assume that fewer providers would be able to report for three standards (although we would aim for this where possible in the first instance). To counterbalance this, we proposed contacting more providers: initially, at a 5:1 ratio.
- 3.4 The Institute's initial requirement for the route and level of standards for inclusion in the research are shown in Table 3.1. The aim of the selection was to support a range of coverage across standards and starts by route and level.

Table 3.1 Target standards within route by level

Route	Number of standards			
	Level 2	Level 3	Level 4 or 5	Level 6 or 7
Agriculture, Environment and Animal Care	2			
Business Administration		1	2	
Care Services	1 at either L2 or L3			
Catering and Hospitality	1			
Construction	2	5	1	2
Creative and Design		2	1	
Digital		1	1	1
Education and Childcare			1 at either L4/5/6/7	
Engineering and Manufacturing	3	6	2	3
Hair and Beauty	1 at either L2 or L3			
Health and Science		2	1	1
Legal, Finance and Accounting		2	1	2
Protective Services		1		
Sales, Marketing and Procurement	1		1	
Transport and Logistics	2	1	1	

- 3.5 In some cases, the desired level and route combinations only contained standards offered by fewer than five providers each. Therefore, in order to maximise our ability to achieve the desired number of interviews for each route and level, in consultation with the Institute and the ESFA, we selected standards within each that had high numbers of providers with starts in those standards. Some restrictions were placed on the selection to avoid overlap with the recent funding reviews, which meant that in some cases it was necessary to select standards offered by a lower number of providers.
- 3.6 The final standards were selected in accordance with the initial brief, and, where it was not possible to cover the routes and levels requested, replacement standards were agreed with the Institute. In order to achieve maximum cover by route and level, it was agreed to include an additional standard in the final sample, giving a total of 56 standards.
- 3.7 Among the final selected standards just 14 of the final selection of 56 standards met the criteria of a 5:1 sample ratio (with 25 or more providers in scope with starts in the standard at the time of sampling); a further five standards had a ratio of 4:1, with between 20 and 25 providers in scope. The remaining standards were offered by fewer than 20 providers each.
- 3.8 Standards with fewer than eight providers in scope were officially classed as ‘niche standards’ for the purposes of this research, with a target of one or two interviews each. Eight standards were classified as niche.

- 3.9 For the 48 standards not classified as 'niche', the target was set at five interviews per standard; however, as the majority of the standards did not have the desired sample ratio, it was noted that it would likely not be possible to achieve the full target in every case (for example, in those cases with between eight and 10 in-scope providers, it would be necessary to interview half or more than half of all providers delivering the standard in order to achieve the target number of completes).
- 3.10 Due to the lower volume of sample available, it was agreed that targets would not be set for provider type and region, and that these would be allowed to "fall out" naturally.
- 3.11 Sample was drawn from the full list of providers delivering any of the selected 56 standards; where fewer than 25 providers offered a standard, all providers were drawn to be contacted; where more than 25 providers delivered a standard, a selection of at least 25 were randomly drawn. Due to many providers offering multiple standards, some standards were more heavily represented in the final sample file, due to being offered by many providers alongside more niche standards.

Recruitment

- 3.1 Prior to starting recruitment, advance letters were sent to named contacts within providers where possible and addressed to 'Head of Apprenticeships' where we did not have access to specific contact details (examples of the advance letters are provided in Annex 2).
- 3.2 Letters were followed up with a phone call to discuss the research and to encourage participation. The initial call also served to confirm the standards offered by that organisation and to identify the appropriate person (or people) within an organisation who would be able to provide detailed financial information on the specified standard. In most cases in order to collect complete data, interviews needed to involve multiple staff members, usually a member of the finance team and a programme lead. When speaking to providers, those offering multiple standards were prioritised in order to maximise the number of standards we were able to cover during the fieldwork period.
- 3.3 Once an interview was scheduled, a confirmation email was sent to thank the provider for their willingness to assist with the research and to confirm the date and time of the interview. This was shortly followed by an email containing the link(s) to the online tool for the specific standards the provider agreed to provide information for, as well as guidance on how to complete it. Links were provided a minimum of two weeks before the follow-up interview was due to take place.
- 3.4 Getting a provider from agreement to final interview in practice however tended to be a lengthy process, often with multiple bookings and reschedules before the final interview was completed. It was common once providers had looked in detail at the level of detail required in the data tool that they would postpone (or in some cases cancel) their interviews to give more time to complete the required information, often leading to substantial delays and requiring additional chasing by recruiters to obtain the interviews.
- 3.5 Later in fieldwork, in order to maximise response, a small number of letters signed by the Chief Executive of the Institute were sent to providers who had requested additional reassurances before deciding to take part.

Table 3.2: Advance letters

	Mailout	Number of letters
March 2019	Stage 2 providers – main	403
March 2019	Stage 2 EPAOs	35
May 2019	Stage 2 providers-supplementary	114
August 2019	Stage 2.2 providers	125

- 3.6 In total 642 providers were contacted by letter, of whom 138 (compared to the original proposed 100) took part in the research – a final ratio of 4.7:1 and a response rate of 21%.
- 3.7 Table 3.3 shows the response rates achieved by provider type, both as a proportion of the number of providers invited, and as a proportion of the total number of providers offering any of the in-scope standards in the original sample file.
- 3.8 Employer Providers had the highest response rate (29%) and the ‘other’ category, including providers such as Local Authorities, had the lowest (4%). Overall, the 138 participating training providers represented 15% of all training providers offering any of the in-scope standards in the original sample file; representation was highest among Employer Providers and FE Colleges (each 23%). It should be noted that while providers may have been identified as ‘in scope’ at the start of the research, the focus on getting coverage by level and standard meant that once some standards reached their target number of interviews some providers effectively moved out of scope as they didn’t offer any of the remaining standards that were required, and this will have deflated the response rate.

Table 3.3 Response rates

	Total number (%) of providers offering in-scope standards	Number (%) of providers invited	Number (%) of providers participating	Participants as % of providers invited	Participants as a % of providers in-scope
Employer Provider	62 (6%)	49 (8%)	14 (10%)	29%	23%
Further Education College	181 (19%)	166 (26%)	41 (30%)	25%	23%
Higher Education Institution	63 (7%)	56 (9%)	8 (6%)	14%	13%
Independent Training Provider	506 (53%)	312 (49%)	73 (53%)	23%	14%
Other	87 (9%)	48 (7%)	2 (1%)	4%	2%
Unknown	48 (5%)	10 (2%)	N/A ³	N/A	N/A
Total	947	642	138	21%	15%

3.9 Overall a far greater number of providers were only able to provide costings for only a single standard than originally anticipated. Each provider on average gave cost data for 1.5 standards compared to the 2-3 standards per provided originally planned for. In total, 19 providers were able to provide costings for three standards, 26 provided costings for two standards, and 95 provided costings for one standard.

3.10 The data collected on costs through this stage was comprehensive, considering both eligible and ineligible costs in detail and figures clarified and checked with the respondent during the interview. In terms of the specific data collected from providers the following sections outline step-by-step the fields that providers were asked to complete.

Data collection approach taken with providers

3.11 An online tool was developed based on the results of the stage 1 pilot. The tool enabled providers to enter the costs of providing a standard in a way that was as simple and streamlined as possible. The tool was designed to be clear, easy to read, and easy to navigate. Providers had the option to save and continue later when necessary. The tool covered all component costs and was broken down into eight sections, as outlined in the following sub-sections.

3.12 The tool allowed providers to include all costs relating to the delivery of apprenticeship standards. However, not all activities relating to the delivery of an apprenticeship standard

³ Some training providers in the sample file were not classified with a provider type; some providers originally in this group may have participated in the research, but would have given their own classification as part of the data collection, and thus no participating providers have been included within this group.

qualify for funding, the ESFA sets out the funding rules each year that detail the activities that are eligible or ineligible for funding:⁴

- **Eligible costs:** are costs that are eligible for apprenticeship funding under the latest funding rules. The cost of any 'eligible' activities can be included in the total negotiated price agreed between the employer and provider, and the employer and EPAO;
- **Ineligible costs:** are costs that are not eligible for funding under the funding rules and should not be included in the total negotiated price agreed between the employer and provider, and the employer and the EPAO.

3.13 After agreeing to take part in the research, providers were given links to the online tool a minimum of two weeks before the follow-up interview was due to take place. Each link was unique to each standard, so providers would receive an individual link for each standard they had agreed to complete. A full outline of the data collection tool can be found in Annex 5 of this report.

3.14 A follow-up interview was conducted with each provider for each standard they had completed the online tool for. The topic guide was designed to enable us to contextualise the figures provided and to validate/check that the figures provided were accurate.

3.15 All depth interviews were digitally recorded with permission from respondents and written up into a structured analysis framework, with headings based on the topic guides.

3.16 Prior to each follow-up interview, the interviewer conducting the interview worked through the data provided to check for any anomalous or unusual figures. This enabled interviewers to highlight these figures in the interview and to check whether they were incorrect, or whether there was an explanation for them. An example of this type of check could be if an unusually high salary was provided (i.e. a salary outside of the expected range for that job title); during the interview the interviewer would check that the correct salary had been recorded, and the roles covered by the staff member.

3.17 When figures were found to be inaccurate during the interview, these were updated following clarification with the provider.

3.18 During the follow-up interview providers were asked about various aspects of the information they provided. This included specific information by section (which is covered in more detail below), as well as some broader information, including:

- Whether they had conducted this type of costing exercise internally at any other point, and if so whether similar costs were included;
- Any broad issues encountered whilst completing the online tool;
- The amount of time it took to fill in the online tool;

⁴ Current and past funding rules can be found here: <https://www.gov.uk/guidance/apprenticeship-funding-rules>

- Confidence in data provided and any concerns about duplication of data across sections (any concerns about duplication would have been addressed at this point if appropriate, or throughout the interview when talking about specific sections of the online tool in order to verify the data and check whether any amends were needed).

3.19 Each data collection for each standard represents a ‘data point’ in the final data. For example, in cases where a provider was visited and completed three interviews for three different standards and submitted data for these, this represents three ‘data points’ within the final analysis presented in the report. Similarly, some providers provided data for one (one data point) or two (two data points) standards.

3.20 A total of 185 data points were collected in stage 2, in order to boost the number of data points additional sample was drawn and the exercise repeated, leading to an additional 19 data points for a total of 204.

Completed Provider Data Points

3.21 Below is a breakdown of the 204 completed data points by provider type (Table 3.4), level (Table 3.5) and route (Table 3.6).

Table 3.4: Completed data points by provider type

	Number of completed data points
Employer Provider	15
Further Education (FE) College	70
Higher Education Institution (HEI)	12
Independent Training Provider (ITP)	104
Other	<5
Total	204

Table 3.5: Completed data points by level

	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Total
Total	68	77	21	20	14	4	204

Table 3.6: Completed data points by route

	Total
Agriculture, Environmental and Animal Care	8
Business and Administration	24
Care Services	6
Catering and Hospitality	6
Construction	39
Creative and Design	<5
Digital	14
Education and Childcare	5

	Total
Engineering and Manufacturing	36
Hair and Beauty	9
Health and Science	19
Legal, Finance and Accounting	10
Protective Services	<5
Sales, Marketing and Procurement	15
Transport and Logistics	7
Total	204

- 3.22 Overall 55% of the interviews completed were undertaken face-to-face, and the remainder by telephone (the majority of these were providers who agreed to provide data for a single standard only).
- 3.23 The completed data points by provider type were broadly in line with the population, both in terms of courses on offer within the 54 in-scope standards, and the proportions of starts in 2018/19. As mentioned previously, the 'other' group, which includes organisations such as Local Authorities, was under-represented (1% of completed data points vs. 8% of data points in the original sample), as the response rate was considerably lower among this group.
- 3.24 While the sampling strategy was designed to allow sufficient base sizes for analysis at sub-group level, rather than representing the market as a whole, a good spread was achieved by route when compared with the in-scope population, although some routes were slightly over- or under-represented in the completed dataset to ensure sufficient base sizes in all groups, and also to allow the desired coverage by level.
- 3.25 The proportions of completed data points by level were broadly in line with the eligible sample, both in terms of courses on offer and the number of apprentice starts in 2018/19. Due to the sampling approach, the higher levels (Level 4 and above) were slightly over-represented in the completed data points to ensure sufficient base sizes for analysis across all levels.
- 3.26 By standard, primarily due to the limited sample ratios and the complexity of the recruitment journey, it was not possible to achieve the initial target of five interviews per non-niche standard, although where possible additional interviews were completed in standards for which more sample was available. For the eight 'niche' standards, the target of one or two interviews was achieved (half achieved one interview, and half achieved two). Overall, 15% of all standards approved for delivery by September 2018⁵ and 54% of all starts in the 2018/19 academic year⁶ were represented in the final dataset.
- 3.27 Among the non-niche standards, two did not achieve any interviews (from a starting sample of nine providers and 11 providers respectively), and were therefore excluded from the research.

⁵ Data downloaded from <https://www.instituteforapprenticeships.org/apprenticeship-standards/>

⁶ <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships#apprenticeship-and-traineeships-current-data>

3.28 The remainder of the breakdown of standards by number of interviews completed is shown in Table 3.7.

Table 3.7 Breakdown of standards by number of completed interviews

Number of completed data points	Number of non-niche standards	Number of niche standards
0 completes	2	
1 complete	2	4
2 completes	5	4
3 completes	10	
4 completes	12	
5 completes	6	
6 completes	8	
7 completes	1	
8 completes	1	
9 completes	1	

4 Data collection from EPAOs (Stage 2)

Fieldwork methodology

- 4.1 The Institute provided the sample of End Point Assessment Organisations (EPAOs) with input from the Department, that were then contacted for this stage of the research.
- 4.2 The EPAO sampling and recruitment strategy was based on trying to achieve the best possible spread of routes, standards, levels and assessment methods. To achieve this, EPAOs were contacted in batches. The 'ideal scenario' would be for all providers in batch one to agree to participate, which would give the best possible coverage of the different elements. However, where any EPAOs from batch one were unable or unwilling to take part, back-up EPAOs from batch 2 would then be contacted that would give the 'next best' coverage; these would have similar characteristics to the batch one EPAOs, but would not have offered full coverage of all desired elements (for example, two of the assessment methods were only offered by EPAOs in batch one).
- 4.3 Each EPAO that agreed to take part was sent an Excel spreadsheet which was separated into different sheets which covered different elements of EPA costing. This sheet covered the following elements:
 - Initial design and setup costs;
 - Assessor recruitment and initial training costs;
 - Assessor salary costs;
 - Travel and subsistence, room costs and other related costs;
 - Quality assurance costs; and
 - Administration costs.
- 4.4 The EPAO was asked to complete one sheet per standard they had agreed to cover. In some cases this was up to three standards. They were asked to complete these sheets ahead of a follow-up interview.
- 4.5 The follow-up interviews were conducted by experienced IFF interviewers. The purpose of the interviews was primarily to validate the costs provided by the EPAO, as well as to gather contextual information and to ask some follow-up questions.
- 4.6 In addition, nine EPAOs agreed to complete a 'basic' costings sheet. This covered costs at an overall level, with one row per standard they agreed to complete this for. This covered a total of 23 standards.

Interviews achieved

- 4.7 Interviews covering the following routes and levels shown in Table 4.1 were achieved. A total of 17 standards were covered. Note one standard has been redacted from the table due to the low number of standards within that route and level.

Table 4.1 Achieved EPAO interviews by route and level

Route	Level	Number achieved
Business and Administration	3	2
Business and Administration	5	1
Care Services	2	1
Catering and Hospitality	2	1
Construction	2	1
Engineering and Manufacturing	3	2
Health and Science	3	2
Health and Science	5	1
Legal, Finance and Accounting	3	1
Legal, Finance and Accounting	4	1
Legal, Finance and Accounting	7	1
Sales, Marketing and Procurement	2	1
Transport and Logistics	2	1

5 Qualitative fieldwork (Stage 3)

- 5.1 This stage of the research sought to understand more about the drivers of the costs of providing apprenticeship standards, commercial decision making, profit levels and funding bands.
- 5.2 The Institute and the ESFA commissioned a qualitative follow-up stage to the wider programme of research on the costs of delivering apprenticeship standards and EPA. This third stage of the research was more strategic in focus and explored in depth the factors that influence training and assessment costs, and therefore inform commercial decisions. Specifically, this stage of the research focused on:
- The key factors that produce a significant difference/influence the overall costs of apprenticeship training and assessment; and
 - Wider factors which may affect providers' commercial decisions around offering apprenticeships or EPA.
- 5.3 Interviews were targeted with Finance Directors or Head of Apprenticeships (or equivalent) to gain a strategic perspective on the issues arising from Stages 1 and 2.

Sampling

- 5.4 At the end of each Stage 2 interview, providers and EPAOs were asked whether they would be happy to be contacted to take part in Stage 3 of the research, which would involve a 45-minute in-depth qualitative interview. The providers and EPAOs who agreed to be contacted regarding this stage of the research were then contacted to see if they would be willing to take part. This gave a total sample size of 99 providers and nine EPAOs.

Topic guide

- 5.5 Interviews were undertaken with someone with knowledge of the broad research topics across each organisation, this may have been a Finance Director or another organisational lead. The topic guide was split into six areas, covering:
- Costs of delivery: learners;
 - Costs of delivery: apprenticeship standard;
 - Commercial decision making: quality;
 - Commercial decision making: supply and demand;
 - Funding bands; and
 - Profit and surplus.
- 5.6 Due to the length of the topic guide, some providers were asked about different sections to others. This depended on provider type (HEI / FE College / ITP). The full topic guide is given in Annex 3.

5.7 HEIs were asked *all* sections in the topic guide. Sections 3, 4, 5 and 6 were split between ITPs and FE Colleges as outlined in the table below, half of ITPs and FE Colleges (Group A) were asked sections 3 and 4, and half (Group B) were asked sections 5 and 6:

Table 5.1 Stage 3 topic guide sections

	Asked of...
1) Costs of delivery: learners	All providers
2) Costs of delivery: apprenticeship standard	All providers
3) Commercial decision making: quality	All HEIs Half of ITPs (Group A) Half of FE Colleges (Group A)
4) Commercial decision making: supply and demand	All HEIs Half of ITPs (Group A) Half of FE Colleges (Group A)
5) Funding bands	All HEIs Half of ITPs (Group B) Half of FE Colleges (Group B)
6) Profit and surplus	All HEIs Half of ITPs (Group B) Half of FE Colleges (Group B)

Fieldwork

5.8 The fieldwork period for provider and EPAO interviews started in mid-July and was completed in early September.

5.9 Telephone depth interviews were conducted with senior representatives at both training providers and EPAOs.

5.10 Recruitment and interviews were conducted by telephone. Interviews were digitally recorded (with permission from respondents) and written up to a standard notes template to ensure consistency.

Interviews Achieved

5.11 A total of 25 interviews were achieved with providers and five interviews with EPAOs, as shown in the table below:

Type	Completed interviews
Independent Training Providers (ITPs)	13
Further Education (FE) Colleges	8
Higher Education Institutions (HEIs)	4
Total providers	25
EPAOs	5
Total	30

6 Data Processing, Validation and Analysis (Stage 4)

Provider data processing and validation

6.1 As outlined earlier, once data was collected from providers it was processed and validated through a number of stages, these are outlined below, and then key areas explored in more detail:

- **Live validation:** during the interview if any errors were uncovered in the costing tool data while discussing with the respondent, these would be corrected live or amends collated and made after the interview;
- **Salary and average working hours checks:** all job roles entered into the online tool were coded to Standard Occupational Classifications (SOC) at a four-digit level to allow the data to be checked against the ONS Annual Survey of Hours and Earnings (ASHE), to identify any unusually high or low salaries and impute any missing salary and average hours data by occupation;
- **Checks for missing data:** responses were reviewed to flag any records with missing data, for example where a cost was incurred but training providers were not able to give a precise figure and felt unable to estimate;
- **Cost calculations:** the data collected was converted into a set of cost variables that were used for validation, analysis and reporting, these cost calculations were used as a basis for deriving the figures presented later in this report. Hourly staff costs for example were derived by calculating employer tax and pension contributions on the typical annual salary for each role, divided by total working hours to create an hourly rate, and costs per learner relating to time spent by staff were derived by dividing the total hours spent by staff by the number of learners in the specified cohort; the resulting hours per learner were then multiplied by the hourly staff cost for each role.
- **Checking for unusually high or low figures:** this included comparing the calculated eligible cost per learner to the funding band; comparing the calculated eligible and ineligible cost against the training provider's own estimate of their cost per learner (where provided); and checking the minimum and maximum values for each cost element within each standard;
- **Academic peer review:** once data cleaning and validation had been completed, an overall peer review and check of the full dataset was undertaken, including checking salary upweights (e.g. National Insurance contributions) and calculations used for derived variables in cost calculations, as well as identifying and investigating any unusual data; and
- **ILR data checks:** after the full data processing had taken place, Total Negotiated Price (TNP) and EPA fees as entered into the online tool by training providers were checked against an anonymised ILR data request showing the equivalent data, to confirm the values reported in the research fell within the expected range.

Data Cleaning

- 6.2 During the depth interviews with respondents, if any errors were uncovered in the costing tool data, the interviewer and respondent would correct the data live on screen; in cases where it was not possible to access the online tool during the interview, the interviewer collated any amends needed to the data, and then entered them into the costing tool afterwards.
- 6.3 Throughout the online tool, respondents were able to add in any costs that did not fit into the specified categories in 'other specify' responses. These were reviewed to ensure they were applicable to the typical/chosen cohort, and any amendments needed were made directly into the costing tool. 'Other' costs given in the Training, Assessment and Administration sections were analysed to determine whether they were eligible or ineligible costs, and thereby whether they should be included in calculations for eligible or ineligible costs.
- 6.4 All job roles entered into the online tool were coded to Standard Occupational Classifications (SOC) at a four-digit level using CASCOT, in order to facilitate a number of the validation checks outlined below.

Definitions of cost categories

- 6.5 Costs per learner relating to time spent by staff were derived by dividing the total hours spent by staff by the number of learners in the specified cohort; the resulting hours per learner were then multiplied by the hourly staff cost for each role. Hourly staff cost was derived by calculating employer tax and pension contributions on the typical annual salary for each role, then divided by total working hours to create an hourly rate. Any costs entered as hourly pay only have been taken as the final hourly staff cost for that role (as typically employers would not pay employer tax or pension contributions for consultants).
- 6.6 Costs entered in the online tool as monetary amounts (such as materials costs and licence fees) were converted to per learner figures by dividing the total cost by the number of learners in the specified cohort.
- 6.7 Costs originally entered as a per learner monetary amount (such as the cost of EPA) have been used 'as-is' in counting towards overall costs.
- 6.8 The overall eligible cost per learner figure was derived by summing together the following elements:

Table 6.1 Calculation of eligible cost elements

Cost element	Calculation to derive this cost element
Total cost delivering classroom training	Total hours spent delivering classroom training per learner x hourly staff cost
Total cost delivering one to one training	Total hours spent delivering one to one training per learner x hourly staff cost
Total cost delivering online training	Total hours spent delivering online training per learner x hourly staff cost
Total cost supporting self-directed learning	Total hours spent supporting self-directed learning per learner x hourly staff cost
Total cost supporting mentoring	Total hours spent supporting mentoring per learner x hourly staff cost

Cost element	Calculation to derive this cost element
Total cost of other costs related to the delivery of required training – staff time ⁷	Total hours spent delivering other training per learner x hourly staff cost
Total cost of other costs related to the delivery of required training – costs	Cost entered in online tool / cohort size
Total cost delivering EPA preparation	Total hours spent delivering EPA preparation per learner x hourly staff cost
Total cost conducting on-programme assessments face-to-face	Total hours spent conducting on-programme assessments face-to-face per learner x hourly staff cost
Total cost conducting on-programme assessments by phone	Total hours spent conducting on-programme assessments by phone per learner x hourly staff cost
Total cost conducting on-programme assessments online	Total hours spent conducting on-programme assessments online per learner x hourly staff cost
Total cost of mandatory qualifications including registration, examination and certification costs, per apprentice (excluding assessment time)	As cost entered in online tool (included any fees paid but excludes teaching time)
Total cost of EPA per apprentice	As cost entered in online tool (this was the fee paid to the EPAO)
Total cost delivering additional training to retake mandatory qualifications	Total hours spent delivering additional training to retake mandatory qualifications per learner x hourly staff cost
Total cost delivering additional training to retake EPA	Total hours spent delivering additional training to retake EPA per learner x hourly staff cost
Total cost of retake of mandatory qualifications	(Cost entered in online tool x cohort size) x proportion of cohort requiring retake
Total cost of retake of EPA	(Cost entered in online tool x cohort size) x proportion of cohort requiring retake (this was the fee paid to the EPAO)
Cost of university fees	Cost entered in online tool / cohort size
Total cost of administration linked to training & assessment	Total hours spent on administration linked to training & assessment per learner x hourly staff cost
Total cost of administration linked to EPA	Total hours spent on administration linked to EPA per learner x hourly staff cost
Total cost of administration linked to ILR	Total hours spent delivering classroom training per learner x hourly staff cost
Total cost of materials used in delivery of required training	Total hours spent on administration linked to ILR per learner x hourly staff cost
Total cost of room hire used in delivery of required training	Cost entered in online tool / cohort size
Total cost of accommodation for required residential training	Cost entered in online tool / cohort size

⁷ The 'Other' cost categories include any costs that the training provider did not feel fit into the pre-defined categories in the costing tool. Examples of specific items included in these categories are included in the main report.

Cost element	Calculation to derive this cost element
Total cost of other administration for required training not covered elsewhere	Total hours spent on other administration for required training not covered elsewhere per learner x hourly staff cost
Total cost of licence fees for software used in delivery of required training	Cost entered in online tool / cohort size

6.9 Where total ineligible costs have been reported, these have been derived by summing together the elements listed in Table 6.2 below. Where ‘additional training’ is referred to this is any training beyond the minimum standards required by the standard.

Table 6.2 Calculation of ineligible cost elements

Cost element	Calculation to derive this cost element
Costs delivering additional classroom training	Total hours spent delivering additional classroom training per learner x hourly staff cost
Cost delivering additional one-to-one training	Total hours spent delivering additional one to one training per learner x hourly staff cost
Cost of delivering additional online training	Total hours spent delivering additional online training per learner x hourly staff cost
Cost of mandatory licence to practice fees	As cost entered in online tool
Cost of re-take of mandatory licence to practice	(Cost entered in online tool x cohort size) x proportion of cohort requiring retake
Cost of materials used in delivery of additional training	Cost entered in online tool / cohort size
Cost of licence fees for software used in delivery of additional training	Cost entered in online tool / cohort size
Cost of room hire for delivery of additional training	Cost entered in online tool / cohort size
Cost of accommodation for additional residential training	Cost entered in online tool / cohort size
Cost of other administration for additional training not covered elsewhere	Cost entered in online tool / cohort size
Cost of recruitment advertising	Cost entered in online tool / cohort size
Cost of contacting employers to advertise training	Cost entered in online tool / cohort size
Cost of negotiating with employers to advertise training offer	Cost entered in online tool / cohort size
Cost of diagnostic tests and assessment	Cost entered in online tool / cohort size
Cost of screening interviews	Cost entered in online tool / cohort size
Cost of other recruitment and on-boarding	Cost entered in online tool / cohort size
Cost of CPD related to delivery of standard	Total hours spent undertaking CPD per learner x hourly staff cost
Contributions to rent of building used for delivering standard	Cost entered in online tool / cohort size

Cost element	Calculation to derive this cost element
Contributions to maintenance of building used for delivering standard	Cost entered in online tool / cohort size
Maintenance of equipment used for delivering standard	Cost entered in online tool / cohort size

Data validation

- 6.10 On completion of fieldwork, a number of validation processes were carried out across the dataset.
- 6.11 Interview write ups were reviewed to flag any records with missing data, for example where a cost was incurred but providers were not able to give a precise figure and felt unable to estimate. These 'blank' values were replaced with modelled data, the figures used in the report use the modelled data.
- 6.12 A number of checks were carried out to identify any outliers, including:
- Comparing the calculated eligible cost to the funding band;
 - Comparing the calculated eligible and ineligible cost against the provider estimate (where provided); and
 - Checking the minimum and maximum values for each cost element within each standard. Where wide variations existed, individual data points were checked for outliers.
- 6.13 Where outliers were identified, the interview write up and comments left in the data tool were examined to check for any explanation or missing data. If this did not clarify the data, and it was a niche standard or a critical piece of data, we re-contacted the provider to try and resolve the query. Where we were unable to find an explanation or confirm outliers to be correct, modelled data was used in place of that value.
- 6.14 Data was modelled based upon averages for the standard, or for the route and level combination. In total, 107 values within the dataset were modelled; modelled costs data was used for 62 values across 28 data points (1% of all cost values), hours data was edited to zero for two values across two data points (<1% of all hours values, 2% of values within the specific hours variables), and modelled salary data was used for 42 job roles across 13 data points (3% of all salary values). Cohort size was edited for one provider using the number entered under 'typical cohort size' before a routing change in the online tool resulted in a blank value for cohort. Further details on the modelling are given in the data modelling section below.
- 6.15 A number of congruency checks were carried out using data from the Annual Survey of Hours and Earnings (ASHE) published by the Office for National Statistics. Average salaries and the average annual FTE from ASHE were appended for each (four-digit SOC) occupation listed in the data. ASHE data was also used to impute missing salary data by occupation, and to identify any outliers in salary needing to be checked. In total, 42 occupations were given a modelled salary, across 13 data points.

- 6.16 Lastly, the average weekly working hours by occupation data was used to update derived variables underpinning cost calculations for all occupations. Full-time working hours were not collected within the data tool, though providers were asked if they knew this during the interview. Therefore, unless an exact number of working hours had been given by the provider during the interview assumptions had to be made on the average working hours as part of the final cost calculations. Rather than using a standard 37-hour week for all occupations, the average hours for each occupation was taken from ASHE was used to improve the accuracy of this part of the cost calculation. Overall, 84 data points had some or all of their working hours taken from exact hours given by providers during the interview, this covered 572 occupations in total; the remainder had working hours for their occupations taken from ASHE data.
- 6.17 Once data cleaning and validation had been completed, an academic peer review and check of the full dataset was undertaken, including checking salary upweights (e.g. NI contributions) and calculations used for derived variables in cost calculations, as well as identifying any unusual data. Some data items were flagged for review from this process, where unusual data was identified the same process was followed as outlined above for outliers. The figures for modelled data presented below include any edits that were required from this process.

Data Modelling

Modelled salaries

- 6.18 Providers were asked to give salaries for each job role involved in the delivery of the standard. Where they were unable or unwilling to give a figure, salaries were modelled using the average salary level for that occupation at four-digit SOC level in the ASHE data; a total of 40 edits were made across 11 data points.
- 6.19 A further two edits were made to salaries where an obvious error had been made: in one case, checking across a provider's three standards revealed that the same job role had been given a different salary in one of the standards, therefore it was edited to match the salary given in the other two cases. In the other case, a salary had been entered as £6,000, resulting in hourly pay figures that would be below minimum wage; therefore, that salary was edited using the average salary for that occupation from the ASHE data.

Modelled costs

- 6.20 Cost data were modelled for two reasons: due to missing data (where a provider indicated that they would incur a cost, but were unable to estimate), or due to an outlier being identified as being incorrect, but we were not able to re-contact the provider to obtain a correct figure.
- 6.21 If an outlier was identified and we were unable to re-contact the relevant provider, the figure would be checked in several ways:
- Against the cost breakdown given by the provider using their own estimates, to see if there was a large mis-match (for example, a provider estimating that administration would cost them £500 per learner, but the calculated figure based on entered staff hours coming out many magnitudes higher);
 - Against data reported for other standards by the same provider, if applicable;

- Against other costs reported by the same provider which suggest the outlier figure was incorrect (for example, administration costs being multiple times higher than teaching costs per learner).

6.22 Based on these checks, if the outlier was deemed to be an error, the figure would be replaced by a modelled figure. Figures would be treated as errors in the following cases:

- If the figure was contradicted by comparable data reported against other standards (for example where a provider had indicated that administration time would be the same for each of their reported standards, but one had much higher or lower figure entered);
- If reviewing the full interview with the training provider revealed that they flagged a figure as a duplicate, but this was not able to be corrected during the interview (in these cases attempts were first made to re-contacted providers to ask for more accurate figures); or
- If other calculated costs broadly lined up with the initial cost estimates given by providers, but with the outlier alone falling considerably outside this range (for example, if costs for training, assessment and overheads all broadly matched the provider's own breakdown, but with administration costs alone calculated as equal to the total overall costs reported by the provider, the administration cost would be taken as an error).

6.23 The process for modelling was as follows:

- First, take an average from other data points in the same standard if there were at least three data points in the relevant variable;
- If fewer than three data points existed within the standard, take an average from providers within the same route and level if there were at least 3 data points in the relevant variable;
- If fewer than three data points existed within the same route and level, take an average from providers with the same route or level (whichever had the most data points).

Number of data points affected

6.24 Overall, excluding modelled salary values, 65 data points were modelled, covering 29 records and 25 providers. Of these, 36 edits were to replace outliers, and 29 were to fill in missing data. 62 covered calculated cost variables, two covered hours variables (to remove figures retrospectively identified as duplicates), and one covered the cohort size (to reinstate a figure previously entered by the provider).

6.25 The table below shows the total number of edits made to each variable, and the number of edits made to replace outliers or missing data.

Table 6.3 Data edits made per variable

Variable	Total edits made	Total data points at variable	% of data points modelled	Outlier edits	Missing data edits
Teaching costs					
TOTAL_1TO1_PERLEARNER (Total cost of one-to-one teaching per learner)	4	183	2.19%	3	1
TOTAL_ONLINE_PERLEARNER (Total cost of online teaching per learner)	1	47	2.13%	1	
TOTAL_SELFDIRECTED_PERLEARNER (Total cost of supporting self-directed or distance learning per learner)	4	138	2.90%	2	2
TOTAL_MENTORING_PERLEARNER (Total cost of supporting mentoring per learner)	3	157	1.91%	3	
TOTAL_OTHERTRAIN_PERLEARNER (Total cost of other training per learner)	1	72	1.39%	1	
TOTAL_CLASSROOM_PERLEARNER (Total cost of classroom teaching per learner)	2	182	1.10%		2
TOTAL_EPAPREP_PERLEARNER (Total cost of EPA preparation teaching per learner)	4	158	2.53%	1	3
TOTAL_MQRETAKE_PERLEARNER (Total cost of retake of mandatory qualification per learner)	1	71	1.41%		1
F2DLOOP_01_F2D (Total hours supporting apprentices in self-directed learning by role 01)	1	84	1.19%	1**	
F2DLOOP_03_F2D (Total hours supporting apprentices in self-directed learning by role 03)	1	23	4.35%	1**	
COSTS_ROOMHIRE_PERLEARNER (Cost of room hire for delivery of required training per learner)	2	61	3.28%	2	
Assessment costs					
TOTAL_ONPROGF2F_PERLEARNER (Total cost of on-programme assessment conducted face-to-face per learner)	6	185	3.24%	2	4
TOTAL_ONPROGTEL_PERLEARNER (Total cost of on-programme assessment conducted by telephone per learner)	1	62	1.61%		1
TOTAL_ONPROGONLINE_PERLEARNER (total cost of on-programme assessment conducted online per learner)	1	28	3.57%		1
G2E1LOOP_01_G2E1 (cost of mandatory qualifications)	3	102	2.94%	2	1
G2GLOOP_01_G2G (EPA fee)	3	204	1.47%		3
Administration and materials costs					

Variable	Total edits made	Total data points at variable	% of data points modelled	Outlier edits	Missing data edits
TOTAL_ADMINT_A_PERLEARNER (Total cost of admin related to training and administration per learner)	11	189	5.82%	9	2
TOTAL_ADMIN_EPA_PERLEARNER (Total cost of admin related to EPA per learner)	4	174	2.30%	2	2
TOTAL_ADMIN_ILR_PERLEARNER (Total cost of admin related to ILR per learner)	3	178	1.69%	1	2
COSTS_MATERIALS_PERLEARNER (Total cost of materials per learner)	3	174	1.72%	2	1
Other					
TOTAL_CPD_PERLEARNER (Total cost of staff undertaking CPD related to the standard)	1	182	0.55%		1
COSTS_ADVERTISE_PERLEARNER (Total cost of recruitment advertising per learner)	1	131	0.76%		1
d1loop_01_d1 (number in typical cohort)±	1	181	0.55%		1

**edited to zero

± edited to number entered at 'chosen cohort' prior to routing change

Data limitations

- 6.26 We have endeavoured to ensure that the data presented in the main report is as accurate and consistent as possible. Through the in-depth interviews (over half of which were conducted on-site with providers) to discuss and check training providers' costs in detail, we aimed to ensure that training time was fully recorded and split according to the training providers very best estimate. A robust validation process was then followed to further check the data and give confidence in the findings.
- 6.27 There are of course limitations to the data. Whilst the sample size of 204 data points at the overall level is reasonably robust, care should be taken once the data is broken down (e.g. by route/level) where there are smaller base sizes, these instances are noted against the relevant data within the report.
- 6.28 The extent to which the data is 'representative' of all standards also needs to be considered, the data refers to 54 standards spread across all routes and levels, however does not cover the whole market (513 standards) therefore care must be taken when extrapolating the findings to the whole market. The sampling approach, coverage of the achieved sample is covered in Chapter 3, but it is worth highlighting that due to needing to cover multiple standards per provider, FE Colleges and ITPs are more heavily represented in the data than Employer Providers and HEIs. The data were not weighted due to small base sizes once the data is split by route, standard, level and region.
- 6.29 In addition, due to the complexity of the data, differences in costing and accounting approaches between training providers, and training providers not always having reached the end stages for certain standards (for example EPA), in some cases training providers needed to give estimates when reporting staff hours and costs for some constituent elements. By their own assessment,

some of these estimates were well-informed and felt to be quite accurate, while others were more uncertain. Areas of the online tool that providers found more difficult and where more estimation was required are outlined in the section below.

- 6.30 At the overall level however, we can be reassured that only a small proportion of data items required modelling (Table 6.4), and by the findings presented in the main report (Table 4.7 in the main report), that at the overall level the per learner costs collected were very similar to the costs that providers themselves estimated.

Provider estimates

- 6.31 Below we outline some specific difficulties raised by some providers in reporting different hours and costs across training delivery, assessment and administration.

Costs of delivering training

- 6.32 Many providers found it difficult to provide an accurate breakdown of staff hours spent delivering training. Most did not break down staff hours to this level of detail as part of their own costings or planning; some could not provide accurate hours on a single-standard basis (due to staff working across multiple standards and time not being recorded against individual standards), and some did not record time according to the categories used here, particularly where delivery involved a combination of classroom, one-to-one and online delivery.

- 6.33 In a number of cases estimates were also used as the provider had not been offering the standard for long, and hence had no actual figures for staff hours spent on training in actuality. Provider estimates tended to be based on either experience delivering a similar framework in the past, or another similar apprenticeship standard.

- 6.34 Providers were generally confident they had not duplicated any figures, however during the interviews a number of cases of duplication were identified and amended; common areas where figures had accidentally been duplicated were:

- Time spent supporting self-directed learning vs. time delivering training through online live-streaming;
- Time supporting self-directed learning vs. time spent supporting mentoring; and
- Time spent delivering classroom training vs. delivering one to one training (typically in cases where a classroom session would also include one-to-one elements with individual learners as part of the same session).

- 6.35 A few providers did acknowledge that there might be some duplication between categories, but were not able to provide any more precise figures. Wherever possible this duplication was removed through discussion with the providers, however for a small number (fewer than 10 cases) this may have led to slight overreporting of costs, although this is unlikely to have impacted significantly on the averages reported throughout.

- 6.36 Some providers also reported delivering classroom training to mixed groups of apprentices and non-apprentices, which made it difficult to accurately apportion the staff cost for apprentices alone; while class size figures have been used in these cases to provide an estimate of the cost *per learner*, it is possible that the actual cost *per apprentice* to the provider may be lower.

- 6.37 Similarly, some training providers delivered workshop and classroom sessions which included apprentices from multiple standards; again, class size figures have been used to derive a cost *per learner*.
- 6.38 Many providers found it difficult to give exact figures for hours spent delivering one to one face-to-face training, as this is a delivery method particularly prone to variation between individual apprentices. Providers have given estimates, but emphasised true time and costs vary considerably from learner to learner, depending on factors such as the need for additional support and guidance, geographical location and size of cohort.
- 6.39 Similarly, providers found it difficult to give exact costs for time spent supporting self-directed learning, and time spent supporting mentoring; both due to the different levels of support needed by individual apprentices in both these areas, but in the latter also due to the different levels of employer engagement, and their willingness to support and mentor their own apprentices. One ITP found the mentoring hours difficult to quantify as each apprentice has different needs. Some explained that learner needs vary, and figures provided were based on the average; others said they do not monitor staff hours spent supporting mentoring.

Assessment

- 6.40 Some providers mentioned that on-programme assessment time will vary widely depending on the apprentice, so they have tried to give an average. Additionally, delivery staff work across multiple programmes so trying to account for their time is very hard.
- 6.41 A couple of providers also highlighted a difficulty in estimating the number of hours spent on regular on-programme assessments conducted on the telephone.

Administration

- 6.42 Some providers had issues with overlapping job roles, which made it hard to define how much time to record against each staff role for administration. Additionally, in some cases the hours entered in the admin section may overlap with hours spent training, when providers found it difficult to clearly delineate between the two activities. Administration time was also less likely to be recorded internally in the same way as training delivery, and so some providers found it difficult to estimate how much time spent by administrative staff would relate to the standard in question.

EPAO data processing and validation

- 6.43 The data validation approach taken with EPAOs was a step-by-step process on a by standard basis:
- During the follow-up interview, where an EPAO had entered a figure that looked unusual, for example a particularly high figure, this was queried. Where this figure was correct, the reasons for this were recorded. Where it needed to be amended, this was done so by the interviewer in an updated excel spreadsheet;
 - The data provided by each EPAO was then combined to create one Excel sheet. This enabled us to look at each standard on a row by row basis, thereby enabling us to compare the data and do an initial 'sweep' for any anomalous numbers. These numbers were investigated by looking at the write-ups from the follow-up interviews;

- The combined raw data was used to create an SPSS file. The SPSS file enabled us to calculate an overall cost for delivery of an EPA based on the data given in the original Excel sheet. This overall cost was based on a combination of the factors included on each sheet of the original excel file, with derived variables covering each aspect of delivery, for example a derived variable for 'initial design and setup';
- The SPSS file based on this data enabled us to further investigate any anomalous figures. Where the overall cost calculated was significantly higher or lower than the fee charged per EPA, this was used as an indicator that the data needed to be investigated further. This was done on a section by section basis, by looking at each derived variable that culminated in the overall cost and identifying where these were particularly high or low;
- In some cases, costs provided in the original costings sheet needed to be edited based on the information provided in the follow up interview. An example of this was where EPAOs were asked to give a cost on a 'per EPA' basis, but had instead provided costs at an overall level, therefore driving the total cost calculated up significantly. Where this was the case, these were manually edited on a case-by-case basis;
- Ultimately, this enabled us to produce a dataset which was as accurate as possible based on the information provided by each EPAO;
- The data provided on EPAOs should be treated with some care. Only one dataset was collected for each standard, and in some cases EPAOs found completing the Excel sheets challenging and noted that some of the figures provided were their best estimates. Some EPAOs also indicated that the Excel sheet did not match the way they typically accounted for costs;
- Finally, five standards which were covered by two EPAOs were not included in the final dataset. This was because the amount of data these EPAOs were able to provide was not sufficient to enable overall costs to be calculated.

Analysis

- 6.44 The main report presents a Key Drivers Analysis to help add insight on what factors are likely to be driving the costs of delivery. In this section we provide further details on the approach taken to this analysis.
- 6.45 Key Driver Analysis is one of the most commonly used techniques throughout business and social sciences. It is usually based on regression analysis, a family of statistical techniques that provides the opportunity to test the relationship between two or more variables simultaneously. By allowing researchers to specify a dependent variable (something that we are trying to explain) and several independent (explanatory) variables we can go beyond simple correlations and think in terms of causality.
- 6.46 That said, it is important to recognise the limitations of the model and remember that the model is just that – a simple representation of the real world. It is only as good as our understanding of the causal relationships at the heart of what we are observing, together with a data collection process that ensures all the required measures are collected and reliable. Although the model explains 56% of the variance in costs (see below) that still leaves 44% of the variance unexplained.

6.47 We used a linear regression model to test the relationship. This form of regression assumes that the relationship between the dependent variable and the independent variables is linear, which means that an increase in the explanatory variable will lead to an increase in the dependent variable and, similarly, a decline in one sees a decline in the other. It was felt that this method was appropriate for modelling the cost drivers of apprenticeships compared with alternative methods such as logistic regression or curve estimation. Other advantages of a linear approach include that the results are intuitive, easy to interpret and explain.

Specifying the model

6.48 In terms of specifying the model, we discussed what measures would be most appropriate as both independent, explanatory variables and the options for how we might define costs. In the first iteration of the modelling, we explored a long list of provider level variables, delivery methods and other characteristics, such as duration and cohort size. We, also, explored two dependent variables: total eligible cost (excluding EPA fees) and monthly eligible cost.

Table 6.4 Initial list of explanatory variables included in the key driver analysis

Initial explanatory variables included
Provider characteristics
Overall number of learners at the training provider
Number of apprenticeship standards offered
Number of apprenticeship frameworks offered
Overall number of apprentices on standards
Number of apprentices enrolled in the last 12 months
Mean salaries (management, training, on-programme assessment, administration)
Type of provider (FE College, HEI, ITP, Employer Provider*)
Region of provider
Locality of provider (rural, semi-rural, suburban, urban*)
Standard characteristics
Whether delivery included mandatory qualifications
Average duration
Cohort size
Average class size
Level
Delivery methods
Methods of delivery (face-to-face, one-to-one, online, distance / self-directed)
Total hours spent on method of delivery (face-to-face, one-to-one, online, distance / self-directed hours)
Proportion of staff time spent on method of delivery (face-to-face, one-to-one, online, self-directed hours)

Note: with categorical variables one category needs to be excluded from the model and used as the reference category against which to interpret the results. Items with an asterisk against them were used as the reference category in this model.

- 6.49 Categorical variables, such as provider type, method of delivery, and region, were recoded as binary with one category omitted as the 'reference category'. This is the standard approach for dealing with categorical variables in regression analysis.
- 6.50 It is worth noting that route and funding band were excluded from the model. Route was excluded due to small bases sizes, and because the large number of categories could have distorted the findings and given them more weight (artificially) because there's so many of them. Funding band was excluded, again in part due to small base sizes but also because the funding bands are set in part on the basis of provider quotes for costs so there is a 2-way relationship.
- 6.51 In a later iteration of the model, we tested the impact of removing provider level variables, such as provider type and region, removing income and re-tested the monthly model with monthly measures of the relevant independent variables. We found that keeping the provider level variables in was of value in understanding differences in cost levels, however we made the decision to exclude income from the final model as it was felt that the effect of income was being indirectly captured through other variables in the model. We found that the newly specified monthly cost model was stronger than the first monthly cost model (with R2s of 39% and 36% respectively), but was still not strong enough to compete with the total cost model controlling for duration (56%).

Running the models

- 6.52 Within the regression family, there are different statistical methods for computing the relationships between variables: 'Enter', 'Backward' and 'Forward'. The analysis explored all the methods. The 'Enter' method includes all the variables in the model at the same time and retains all the variables in the model throughout the calculation process. The 'Forward' method looks at the relationship between each independent variable and the dependent variable and adds significant explanatory variables to the final model one at a time until we have a model that is focused on those explanatory variables that have a statistically significant effect on the dependent variable. The 'Backward' method, does the opposite, including all variables to begin with and one by one removing those variables that are not statistically significant. Through the 'Backward' and 'Forward' methods the modelling process is iterative until the computations identify the optimum combination of independent variables that explained the greatest amount of variance in the dependent variable. The decision was taken to use the 'Backward' approach as it provided the optimum performance on these measures.

The Results

- 6.53 The output from a regression model includes an R2 value, which is usually interpreted as a 'goodness of fit measure'. The statistic measures the proportion of the variance in the dependent variable that is explained the model we are testing (the combination of independent variables). We typically use and report the 'Adjusted R2', which applies a minor adjustment to the R2 to compensate for the number of independent variables that a model includes (the greater the number of independent variables the higher the R2 irrespective of their individual effectiveness in explaining the dependent variable). The adjusted R2 for the total cost model was 56%; the equivalent figure for the monthly cost was 39%. This result tells us that the data is more effective in explaining the variance in the total cost than the monthly cost; though it is important to remember that even with the total cost model 44% of the variance in cost is unaccounted for.

7 Annexes

Annex 1: Pilot recommendations for Stage 2 data collection tool

Provider overview

Original field	Pilot feedback	Suggested change
Overall number of learners	HEIs were slightly more unsure about the fields asking for overall number of learners and overall income – it was unclear if this should cover the entire HEI, or just the apprenticeships section.	Revise wording to make it clear we mean the total number of learners (on any course) at the entire institution, and that an approximate figure is OK. E.g. “Total number of learners at your institution (<i>please include both apprentices and those on other courses; if you do not know the exact number, please give your best estimate</i>)”
Overall income in last financial year	As above – HEIs in particular were unsure if they should include the income for the entire HEI, or just that derived from apprenticeships.	Revise wording to make it clear that we want the total income for the institution (not just the department responsible for the standard in question), and that an approximate figure is OK. E.g. “Total income at your institution in the last financial year (<i>please include total overall income, not just that related to apprenticeships; if you do not know the exact number, please give your best estimate</i>)”
Type of provider	No issues with this field	Potentially this could be taken from the sample if we request this data from the ILR
Region	In the pilot providers could only select one region or ‘UK-wide’ – this could be restrictive to providers who operate e.g. across the North West and North East.	Change to a multicode list (with single code ‘England wide’ option for those who do operate across the whole country)
Locality “type”	Providers understood this once they saw the drop-down list of options, but ‘type’ on its own was not meaningful	Make the question text clearer (e.g. mention urban vs. rural). As above, change this to a multicode list for those who operate across a range of rural / urban
Number of apprenticeship standards offered	Additional clarification requested by the Institute / DfE	Add clarification that this means standards for which they are taking new starts; “Number of apprenticeship standards for which you are currently taking new starts”
Number of apprenticeship frameworks offered	Additional clarification requested by the Institute / DfE	Add clarification that this means standards for which they are taking new starts: “Number of apprenticeship frameworks for which you are currently taking new starts”
Overall number of apprentices (all)	Additional clarification requested by the Institute / DfE	Add clarification this is all apprentices currently on programme: “Overall number of apprentices currently on programme (both standards and frameworks)”
Overall number of apprentices on standards	Additional clarification requested by the Institute / DfE	Add clarification this is all apprentices on standards currently on programme: “Number of apprentices on standards currently on programme”
NEW	Additional field requested by the Institute / DfE	Add new field - Number of apprentices enrolled in the last 12 months
Average dropout rate on apprenticeship standards	Remove – providers often found this difficult to answer, and drop-out rates for the standard in question are covered later; we can explore overall drop-out rates in the qualitative interview	REMOVE

Standard overview

Original field	Pilot feedback	Suggested change
Overall number of learners enrolled on this standard and level	NONE	NONE
Planned duration	Providers did not have a problem with this field, but some did point out it is publicly available information	Suggest feeding in this information from sample
Average duration to successfully complete	The Institute suggested this could be removed – however as a number of providers reported that the actual duration of standards could be quite different to the planned duration (and were keen to point this out) we propose keeping this field	NONE
Date started offering standard	All providers were able to give the month and year of starting without difficulty, however asking for the exact date is likely to be too much detail	Change answer option to MM/YYYY
How many learners currently in year 1	Most providers indicated that breaking down learners by year was not standard for them; as the Institute have said this is not an essential breakdown, we suggest removing this.	Remove Y1 – Y4 breakdown. Rather than asking for all currently enrolled, we will ask for how many enrolled in last 12 months, how many learners would be in an average cohort, and the minimum and maximum cohort sizes they would have for this standard
How many learners currently in year 2		REMOVE
How many learners currently in year 3		REMOVE
How many learners currently in year 4		REMOVE
Average proportion of apprentices dropping out	This question will be moved to the new preceding question, where we cover all starts on this standard to date	MOVE
Number of learners completing EPA to date	This question will be moved to the new preceding question, where we cover all starts on this standard to date	MOVE
Number of these (in each year) that were 16-18 on commencement		
Number of these (in each year) that are 19-24 on commencement		
Number of these (in each year) that are 25+ on commencement		
Number of apprentices with learning disabilities and difficulties	As above, this breakdown will be asked for all current apprentices, rather than split by year; some providers indicated they may not be able to split learners between 19-24 and 25+, however we suggest leaving the category for those who do hold this data	NONE

Recruitment and onboarding

Original field	Pilot feedback	Suggested change
Recruitment advertising for apprentices on named standard	Calculating this figure on a per apprentice level was challenging for many providers, particularly where there could be wide variety between apprentices from different employers	Change to "Total amount spent on recruitment advertising for apprentices on [STANDARD] for a typical cohort"
Recruitment advertising for employers on named standard	As above	Change to "Total amount spent on recruitment advertising for employers on [STANDARD] for a typical cohort"
Average time spent negotiating with employers	One provider mentioned that tendering is a significant element of their costs, and it wasn't clear where this should be included.	Change to "Total time spent negotiating with employer/s for a typical cohort, including any time spent on tendering"
Cost of assessment of prior learning (exc English and Maths)	The Institute suggest merging these into total cost of all initial diagnostic, assessment and screening interviews for apprentices in a typical cohort	
Cost of interview incurred conducting interviews with apprenticeship candidates on behalf of employer		
Other recruitment and on-boarding costs		The options to enter 'other recruitment and onboarding costs' will be retained – providers will need to enter a description of the cost (and if a cost is entered here that should be included in one of the categories above, or in another section of the sheet, this can be picked up and amended during the interview stage).

Delivery of training

Original field	Pilot feedback	Suggested change
Hours spent by apprentice on off-the-job training to meet the minimum requirements of the standard	As these questions ask about hours spent by the apprentice (rather than the provider) we suggest having these as a separate screen to avoid any confusion	Move question to separate screen; clarify this is hours spent to complete the standard
Hours spent by apprentice on off-the-job training beyond the minimum required by the standard ("additional training/learning")	Some providers were confused by this concept as they do not offer any training beyond the minimum required for the standard	We suggest moving this to a separate screen along with the above; we also suggest adding a filter question to cover all the different possible types / elements of training, to reduce burden when filling out hours spent on each type of training

"Core" off the job training to meet minimum requirements of the standard - "Live delivery" (covering classroom/lectures, workshops, and live-streamed online delivery)

Original field	Pilot feedback	Suggested change
Core off-the-job training - face-to-face hours - classroom teaching/lectures or workshops	Use of the word "core" confused some providers; using a filter question to check if they do any additional training will allow us to remove the word 'core' where it is not necessary (only specifying "core" if there is also "additional" training). There was also confusion over whether this number should be the hours spent by apprentices, total hours spent by provider staff, or hours spent by provider staff divided by the number of apprentices in the group	To make it clear we are looking for time spent by <i>the provider</i> (not by apprentices), and to allow accurate calculation of costs if different staff members are involved in this delivery, we propose asking at the beginning of the survey for a list of job roles / levels involved in the delivery of the standard (including training, assessment, admin and management), and then to ask these questions <i>for each role</i> . Therefore, if one hour of teaching is delivered by an hourly paid consultant, we will be able to accurately capture this cost (salaries for each of the roles will be collected in the salaries section). We also suggest asking for total hours delivered across the whole standard for a single cohort (rather than 'to a typical learner', as this could be misinterpreted). Change text to "Total hours off-the-job training delivered face-to-face through classroom teaching by [JOB ROLE/S] for a standard cohort (<i>Include face to face lectures or workshops</i>)"
Core off-the-job training - face-to-face - average group/class size - classroom teaching/lectures or workshops	Respondents were confused by the rows switching between hours and cohort sizes	Move this field to a separate section (we will also check against the figure entered as the total cohort size – but it is possible some training could be delivered to smaller groups within a cohort, so we think it is worth retaining this question)
Core off-the-job training - face-to-face hours per apprentice - delivered 1-to-1		As above – we will ask for total hours delivered by each role to deliver the full standard for a cohort: amend text to "Total hours off-the-job training delivered face-to-face on a one-to-one basis by [JOB ROLE/S]"
Core off-the-job training - live-streamed online delivery		As above – we will ask for total hours delivered by each role to deliver the full standard for a cohort. Amend text to "Total hours off-the-job training through live-streamed online delivery"
Core off-the-job training - face-to-face - average group/class size - live streamed online delivery		Remove phrase 'face-to-face' to make it clear this refers only to live streamed online delivery; these options could also be filtered with a pre-question to determine which modes of delivery are used on the standard

Self-directed learning and mentoring required to meet the minimum requirements of the standard

Original field	Pilot feedback	Suggested change
Self-directed learning / distance learning - hours per apprentice spent by provider personnel	Need to clarify that we are looking for time spent by provider staff, <i>not</i> by the apprentices themselves.	As above, we suggest firstly asking for the time spent by each specific staff role at the provider, and to re-phrase to make it clearer that we are looking for time spent by provider staff. Change text to "Total hours spent by [JOB ROLE] supporting apprentices in self-directed learning in a typical cohort"

Original field	Pilot feedback	Suggested change
Mentoring apprentices - hours per apprentice, time spent by provider personnel	Providers were surprised at the inclusion of this field as mentoring would be provided by the employer. Some gave the number of hours of mentoring that each apprentice would <i>receive</i> , but this would not accurately reflect costs incurred by the provider.	As above, we suggest firstly asking for the time spent by each specific staff role at the provider, and to re-phrase to make it clearer that we are looking for time spent by provider staff. Change text to "Total hours spent by [JOB ROLE] supporting mentoring for apprentices in a typical cohort"
Undirected site-specific training - hours per apprentice, time spent by provider personnel	Only one provider entered anything at this field; several were unsure what it was referring to. The Institute also suggested this category could be removed as it is not an essential breakdown.	REMOVE – any hours spent by the provider on this can be included in the 'other' category.

Additional training/learning requested by employer (beyond the minimum required for the standard)

Original field	Pilot feedback	Suggested change
Additional off-the-job training - face-to-face hours - classroom teaching/lectures or workshops	Some providers were confused by this section as they did not offer any additional training and so were unsure what to enter	This section will be filtered by a preceding question asking providers if they deliver any additional training beyond the minimum required at the request of the employer
Additional off-the-job training - face-to-face - average group/class size - classroom teaching/lectures or workshops	As above, providers were confused by the switch between hours / average group size	Group size will be moved to a follow up question on a separate screen
Additional off-the-job training - face-to-face hours per apprentice - delivered 1-to-1	See above feedback	See above suggestions
Additional off-the-job training - live-streamed online delivery	See above feedback	See above suggestions
Additional off-the-job training - face-to-face - average group/class size - live streamed online delivery	See above feedback	See above suggestions

End Point Assessment

Original field	Pilot feedback	Suggested change
Preparation time for EPA not covered elsewhere - hours/days delivered per apprentice by provider	Some providers were confused by some elements of EPA being included here, rather than in the assessments and certification section.	Move all questions on EPA to the assessment and certification section. We will also emphasize that this time is in addition to any other training time entered previously
Preparation time for EPA - average group/class size	As above, providers were sometimes confused by the switch between hours and group size on the same page.	Move questions on group size to a separate screen within the assessments and certification section.

Original field	Pilot feedback	Suggested change
Additional hours training/mentoring required to retake an EPA	As above	As above
Preparation time for EPA retake - average group/class size	As above	As above

Other costs relating to off-the-job training

Original field	Pilot feedback	Suggested change
Number of trainers/lecturers involved in delivering off-the-job training for the standard	This information will be covered earlier in the data tool, and will not be relevant here	REMOVE
Number of hours CPD per trainer/lecturer per year relating to delivery of standard	Providers generally considered CPD costs to belong in overheads (a suggestion also made by the Institute)	Move CPD hours to Overheads section
Other training costs not covered elsewhere		This will be retained as is in order to cover any costs providers were not able to account for above

Assessments and certification (including EPA assessment)

Original field	Pilot feedback	Suggested change
On-programme assessment		
<p>Regular planned on programme assessments – hours/days per apprentice spent by provider.</p> <p>This may include face-to-face workplace visits or telephone consultations to check off-the-job training, portfolio completion or similar activities if this time has not been accounted elsewhere. Please note the average assessor caseload and number of visits expected in the comments where possible</p>	<p>Providers found this information fairly simple to provide. However, the Institute have indicated that it would be helpful to split this out into face-to-face, telephone and online assessment time.</p> <p>Reporting these costs by apprentice did not cause issues for providers.</p>	<p>Split into three separate categories: ‘Regular on programme assessments conducted face-to-face – hours/days per [TYPICAL COHORT/YOUR CHOSEN COHORT] spent by [ROLE 1].’ ‘Regular on programme assessments conducted on the telephone – hours/days per [TYPICAL COHORT/YOUR CHOSEN COHORT] spent by [ROLE 1].’ ‘Regular on programme assessments conducted online – hours/days per [TYPICAL COHORT/YOUR CHOSEN COHORT] spent by [ROLE 1]provider.’</p> <p>Contextual validation will be used here to ensure that providers focus on the <i>total</i> number of hours spent for the cohort, as opposed to adding together the individual hours for each apprentice within the cohort.</p>
<p>Preparation time for EPA not covered elsewhere – hours/days delivered per apprentice by provider</p>	<p>Some providers noted that preparation time for EPA was included in their delivery of training. However, others had specific dedicated time for EPA preparation, which they were able to include here.</p>	<p>Amend the text to ensure that it is clear that this is time spent on top of that spent in training, e.g. ‘Dedicated preparation time for EPA which is not included in the training time already covered – hours/days delivered per [TYPICAL</p>

		COHORT/YOUR CHOSEN COHORT] by [ROLE 1]
Preparation time for EPA – average group/class size	No issues reported here.	As in the training delivery section, this will be moved to a follow up screen to avoid any confusion between hours / group sizes
Mandatory qualifications and licenses to practice		
Registration costs for mandatory qualifications , per apprentice	Most providers did not have any costs to input here; it was not appropriate for all provider types as some apprenticeships had no mandatory qualifications.	Include a yes/no question to ask providers whether apprentices on the standard are required to take any mandatory qualifications. Filter this section so it is only asked of those providers that say yes. Combine into two categories: 'Costs of mandatory qualifications including registration, examination and certification costs , per apprentice' and 'Costs of mandatory licences to practice including registration, examination and certification costs , per apprentice'
Examination/assessment costs for mandatory qualifications , per apprentice	As above.	As above.
Certification costs associated with mandatory qualifications , per apprentice	As above.	As above.
Registration, Examination and Certification costs for the retake of mandatory qualifications	No issues reported here, apart from those providers who had no costs as they did not offer any mandatory qualifications.	Only providers who have mandatory qualifications as part of the standard and level in question will be asked this due to new filter question.
Proportion of 'typical' cohort requiring a retake of mandatory qualifications	No issues reported here, apart from those providers who had no mandatory qualifications.	Only providers who have mandatory qualifications will be asked this due to new filter question
Registration costs for mandatory licenses to practice , per apprentice	As with mandatory qualifications, in some cases providers did not have any costs to report here.	Include a yes/no question to ask providers whether apprentices on the standard are required to obtain any mandatory licenses to practice. Filter this section so it is only asked of those providers that say yes. As for mandatory qualifications, this section can be combined into one: 'Costs of non-mandatory qualifications including registration, examination/assessment and certification costs , per apprentice'.
Examination/assessment costs for mandatory licenses to practice , per apprentice	As above.	As above.
Certification costs associated with mandatory licenses to practice per apprentice	As above.	As above
Registration, Examination and Certification costs for the retake of mandatory licenses to practice	No issues reported here, apart from those providers who did not require learners to obtain mandatory licenses to practice.	Only providers who require learners to obtain mandatory licenses to practice will be asked this due to new filter question.
Proportion of 'typical' cohort requiring a retake of mandatory license to practise	No issues reported here, apart from those providers who did not require any learners to obtain mandatory licenses to practice.	Only providers who require learners to obtain mandatory licenses to practice will be asked this due to new filter question.

Non-mandatory qualifications and licenses to practice		
Registration costs for non-mandatory qualifications , per apprentice	No issues reported here.	In line with the set-up for mandatory qualifications, non-mandatory qualification costs will be combined: ' Costs for non-mandatory qualifications including registration, examination/assessment and certification costs per apprentice'
Examination/assessment costs for non-mandatory qualifications , per apprentice	As above.	As above.
Certification costs associated with non-mandatory qualifications , per apprentice	As above.	As above.
End point assessment		
Cost of EPA	No issues reported here	No action needed
Cost of re-sit of EPA	In some cases, the employer, rather than the provider paid for re-sits. Additionally, some providers commented that a definition of what a 're-sit' is would be helpful.	Include a yes/no question prior to this asking whether the provider/employer pays for resits. Include a definition of what a re-sit is.
Cost of re-take of EPA	As with re-sits, the employer, rather than the provider paid for the re-takes. Additionally, some providers commented that a definition of what a 're-take' is would be helpful.	Include a yes/no question prior to this asking whether the provider/employer pays for re-takes. Include a definition of what a re-take is.
Average proportion of apprentices re-sitting EPA	Some providers had not yet had any learners complete the EPA for the standard in question so were unable to answer this.	Include a yes/no filter question at the beginning of this section asking: 'Have any of the learners on [STANDARD] at [LEVEL] completed their End Point Assessment?'
Average proportion of apprentices re-taking EPA	Some providers had not yet had any learners complete the EPA for the standard in question so were unable to answer this.	Include a yes/no filter question at the beginning of this section asking: 'Have any of the learners on [STANDARD] at [LEVEL] completed their End Point Assessment?'
Any other assessment and certification costs		
Other assessment and certification costs not covered elsewhere	One provider suggested that Independent Quality Assessment costs should be included here.	Include 'Cost of Independent Quality Assessment' in this section.

Administration and other fees

Original field	Pilot feedback	Suggested change
Any administration directly linked to training and assessment excluding EPA – hours per apprentice	The definition and comments sections are currently contradictory re: whether to include/exclude EPA. Additionally, splitting out administration hours by apprentice was generally felt to be difficult.	Ensure that both columns match to say 'excluding EPAs'. Amend 'hours per apprentice' to 'hours per [TYPICAL COHORT/YOUR CHOSEN COHORT]'

Original field	Pilot feedback	Suggested change
Any administration directly linked to EPA – hours per apprentice	<p>As above, in some cases providers had not yet established how much time this would take for the standard they were focusing on as they had not yet reached the stage of EPA for the standard in question.</p> <p>Additionally, splitting out administration hours by apprentice was generally felt to be difficult.</p>	Amend 'hours per apprentice' to 'hours per [TYPICAL COHORT/YOUR CHOSEN COHORT]'
Administration time related to completing ILR per apprentice	Generally, providers felt it would be difficult to report this on a per apprentice level. However, they were able to provide administration time at an overall level. One provider commented that they knew this figure across all standards, so could split it out proportionally.	Amend field to note 'Administration time related to completing the ILR for [TYPICAL COHORT/YOUR CHOSEN COHORT]'
Initial cost of materials (non-capital items) used in the delivery of the apprenticeship	Some providers noted that switching from hours spent to cost was slightly confusing.	Split these out into two sections, one on 'Administration' and one on 'Costs and fees'. These will therefore be on two separate screens.
Ongoing cost of maintenance of materials (non-capital items) used in the delivery of the apprenticeship	Providers generally did not have any costs to enter at this point. An exception was an Employer Provider who had costs associated with vehicle maintenance.	Remove this field. Materials purchased should be considered consumables, which will be consumed during delivery of the standard. Costs for things such as vehicle maintenance should be included in overhead costs.
Licence fees for proprietary software	The Institute comment that this needs to be for delivery of the standard only, not for diagnostic/assessment activities.	<p>Amend text for clarity to 'License fees for proprietary software used for the delivery of the standard.'</p> <p>Amend explanatory text to: 'Annual student license fees for any proprietary software used for the delivery of the standard, excluding any software used for diagnostic/assessment activities'</p>
Room hire for any mandatory training	No issues reported.	No action needed. However, 'Room hire for any non-mandatory training' will now be included alongside this.
Accommodation costs for training delivered through residential modules where the residential training is mandatory	No issues reported.	No action needed.
Other assessment and certification costs not covered elsewhere	No issues reported.	No action needed.

Overheads

Original field	Pilot feedback	Suggested change
Other overhead costs related to the delivery of the standard not covered elsewhere	<p>In general, providers said that it would be simpler to give overhead costs for the standard or for the cohort, as opposed to per apprentice.</p> <p>The types of cost included here varied depending on the provider.</p> <p>In some cases, costs covered elsewhere in the sheet were typically included in overheads by the provider. This ranged from things like certification costs for one HEI through to programme advertising for one ITP.</p> <p>In some cases, for example for one HEI, overhead costs were not split out in detail by the provider, but were considered as a proportion of the overall planned cost of a standard and money for any overhead costs was simple taken from this as needed.</p>	<p>Ensuring that during validation costs are cross-checked across other sections of the tool to avoid double counting.</p> <p>Additionally, making it clear that these overheads should only be those that relate to delivery of the standard to ensure costs like advertising are not included, by bolding key text and checking this when validating the data the provider is entering will be important. Additionally, a note will be added to remind providers to exclude any capital investment costs.</p> <p>Standard headings for typical overheads (see explanatory text above the table) will be included to help providers consider whether these sort of things are included and work backwards to provide costs on these where they do not typically break down costs to such a granular level.</p> <p>However, we suggest keeping the 'Other' option and giving providers the opportunity to provide comments will ensure that those providers who do not split overheads out by specific costs are able to enter an overall cost for the standard.</p>

Capital investment

Capital investments were discussed as part of the pilot topic guide, although providers did also have the opportunity to input these in the spreadsheet.

Most providers said that their capital investment costs were minimal and had little report here. In some cases they felt that these costs would be included in their overhead costs.

In the mainstage research, included a discussion of capital investment costs as part of the topic guide, as opposed to including it in the online tool. Most providers included in the pilot had no/minimal capital investment costs to report on, and by discussing it separately we avoided conflation with overhead costs.

Original field	Pilot feedback	Suggested change
Capital investment relating to the delivery of this standard	N/A	N/A

Salaries

Original field	Pilot feedback	Suggested change
Salaries relating to delivery of standard	Providers were able to provide the salaries of staff involved with delivering the standard. This information tended to be readily available, and in some cases, providers commented that this information was also publicly available, particularly for HEIs.	No change needed.

Income

Original field	Pilot feedback	Suggested change
Income received via public funding	Generally providers were able to provide this information.	No change needed.
Income received via employer Levy	No issues.	No change needed.
Income received via employer above funding band maximum	In most cases this amount was zero.	No change needed.
Total negotiated price	No issues.	No change needed.
Proportion of public funding reserved for EPA fees	No issues	No change needed. The figure input here can be used to validate the earlier figure used for the total cost of EPA.
Funding received for additional learning support	No issues.	No change needed.
Proportion of 'typical' cohort for which funding for additional learning support is received	No issues.	No change needed.
Other income for standard not covered elsewhere (including any funding for capital investment/maintenance)	No issues.	No change needed.

End Point Assessment Organisations Data Sheet

Overall figures (EPAOs)

Original field	Pilot feedback	Suggested change
Actual number of EPAs delivered in the last 12 months for this standard and level	This field was straightforward and understood by the EPAO. However, the EPAO hadn't at the point of interview conducted any EPAs.	NONE.
Number of EPAs expect to deliver per annum for this standard and level when all is 'up and running'	This caused some difficulties for the respondent as they hadn't yet done any EPAs. They had the facility to model a large number of delivery scenarios that would involve different operating models. They were however able to give a figure in terms of what their aim was as an	This question will be easier to answer in stage 2 as we plan to have stricter screening to prioritise EPAOs who have completed assessments. In the notes we suggest adding " <i>please note your delivery assumptions – e.g. number of assessors</i> "

Original field	Pilot feedback	Suggested change
	organization when everything was up and running.	
What do you consider to be the maximum number of EPAs for this standard and level that an assessor could be carried out in one day	This caused difficulty as the delivery model is that assessments for a cohort can be delivered over a number of weeks. There are different elements to the assessment for the standard (Retail L2) which will be delivered on different days. The respondent was able to give an indication of how many per month a full-time assessor might be expected to deliver. It is likely that the ease of answering this question will depend on the particular standard being assessed.	We suggest that there needs to be more flexibility in the time period here: "What do you consider to be the maximum number of EPAs for this standard and level that an assessor could be carried out in a month/week/ or day" (please specify time period)
Methods of End Point Assessment used for this standard & level		
Observation in the workplace	This Y/N question caused no difficulties.	NONE.
Practical demonstration based (with the assessment taking place in a practical skills facility such as a simulated work area in an assessment centre or a skills development facility)	This Y/N question caused no difficulties.	NONE.
Written tests	This Y/N question caused no difficulties.	NONE.
Interview, professional discussion or viva	This Y/N question caused no difficulties.	NONE.
Presentation by the apprentice	This Y/N question caused no difficulties.	NONE.
Other (please write in)	This question caused no difficulties.	NONE.

Initial design and set up (EPAOs)

Original field	Pilot feedback	Suggested change
A) Involvement in designing Assessment Plan and your assessment approach		
How many staff involved?	This question caused no difficulties.	NONE.
Total staff days for this design and planning	The respondent was unable to answer in terms of days, they were able to tell us that 1 member of staff had spent 80% of their time on the development for the last 2 years.	Suggest adding some additional guidance: <i>"Please give your best estimate and include time of all staff involved. Reporting in weeks/months is acceptable if required, please identify if weeks/months have been used"</i>

Original field	Pilot feedback	Suggested change
Average annual salary of these staff	This was problematic for the respondent as one person (the person being interviewed) had spent most of their time developing their assessment. They were uncomfortable giving their salary despite probing from a couple of different angles.	A banded option here would help respondents who feel uncomfortable. We suggest asking for the exact figure where possible but giving the option of a band if it is not. Once full data has been collected from a greater number of EPAOs it will be possible to impute an average annual salary if the field is left blank.
Average pension level (for staff involved in design and planning)	No issues raised.	NONE. (The response to this question can be modelled if the respondent can't respond to this question).
Any other costs related to design and planning	Several costs were given by the respondent, but the respondent struggled to add these as a single figure.	Suggest that additional rows are added here to encourage respondents to list these out. and We'd also recommend that <i>'please specify in £s'</i> is added to the sheet.
B) Initial recruitment and training of assessors		
Any initial recruitment of assessors for this standard and level?	The respondent hadn't done an EPA and therefore hadn't recruited any assessors so was unable to provide figures. The respondent commented that the recruitment model would be highly dependent on the type of contracts and volume of EPAs that come in. At higher volumes recruiting a full-time assessor would be more cost effective, but at lower volumes or with more ad-hoc contracts using contractors would be more desirable. ⁸ .	We anticipate this section of the cost sheet will be more straightforward for EPAOs in stage 2 to answer if they have undertaken assessments. As the length of this sheet overall is a concern and off-putting to respondents moving the section on recruitment and training to a separate sheet.
IF YES:		
How many assessors were recruited for this standard / level?		
What % of their time will be for assessing specifically this standard and level		
The cost of recruiting each assessor		
Is the answer above for each assessor or across all assessors		
Any training of assessors for EPA of this standard and level?		
IF YES:		
What have the costs been for initial training of assessors?		
Is the answer above for each assessor or across all assessors		
c) IT development		
What costs if any have you incurred for the set-up of the IT required for EPA of this standard / level?	The respondent was able to answer this question. He reported the figure excluding VAT, which raises a question over whether we want to be specific on whether costs should be presented inc or ex-VAT.	We recommend giving guidance that for VAT registered EPAOs the ex-VAT cost is given. We'd also suggest asking respondents to detail what has been included in the cost provided in the comments.

⁸ Other models they were considering included bringing in an assessor to do a dual role (to cover both EPAs and business development to expand the standards covered), or to train up existing members of staff to undertake assessments.

Original field	Pilot feedback	Suggested change
d) Purchase of any (non-IT) equipment and materials (please type in what equipment and materials this refers to in Column A and put the amount in column B)	The respondent was able to identify some additional purchases (contractor time from a designer for marketing, smart tablet and Dictaphone purchases) that may be required further down the line but didn't give costs as they hadn't yet been required. The question overall was understood.	As above on VAT – recommend being clearer on what basis the cost is required.
Item 1:		Also recommend that guidance is added to say additional lines can be added to the sheet if required.
Item 2:		
e) Design and costs of production of any support materials for learners or employers		
Total staff days related to the design and production of support materials	The same person developing the support materials had developed the assessment plan and approach, as such no further figures were given.	Recommend this section is moved to come after section a. as there may be an overlap between staff.
Average annual salary of these staff		Add guidance notes to split time where possible between the development of assessment plan/approach and support materials and to only include time once.
Average pension level (for staff involved in design and planning)		
Any other costs related to the design and production of support materials		
f) Any other costs in the initial set up (please describe these costs)		
other costs 1	The respondent hadn't incurred any additional costs in the set up at this stage but anticipated these may include items such as consultancy fees, other (non-assessor) staff recruited, and storage charges for paper/printing depending on how assessments were delivered).	Suggest that guidance is given that additional rows can be added as required, and that costs for purchases should be ex-VAT.

Cost of each EPA (EPAOs)

Original field	Pilot feedback	Suggested change
Assessor / staff time		
Number of your staff assessing this standard and level	<p>This question caused issues as the EPAO hadn't yet done any assessments and they weren't sure at this stage which type of staff delivery model was going to be optimum (e.g. employing a FT assessor, contracting out, training in-house staff etc.)</p> <p>They were able to model that if they were to reach their desired 480 assessments per year that 2 full time assessors would be required, this was their 'ideal model' and was used for later costs given.</p>	NONE. Only EPAOs that have conducted assessments will be prioritised for stage 2.

Original field	Pilot feedback	Suggested change
% of their time spent assessing this standard / level (including preparation, conducting the EPA, and write ups)	As above this question caused difficulty as the delivery model was highly dependent on the contracts won. However, if full time assessors were to be used then they identified that 100% of their time would be spent on assessing standards.	NONE.
Total number of EPAs for this standard and level you expect your assessors to deliver per annum	It was felt one full time assessor should be able to deliver around 240 assessments per annum.	NONE.
Average annual salary of these staff	No difficulties reported. The respondent was able to give anticipated annual salaries as well as per hour costs for contractors.	NONE.
Total annual assessor pay for EPA of this standard and level (each assessor's pay x % of their time assessing this standard and level, summed for each assessor)	No feedback received on this question.	NONE.
Average employer pension contribution for staff assessing this standard and level	The respondent wasn't clear on this and would need to consult with other staff.	NONE. As identified for other sections respondents will have longer to prepare for interviews for stage 2, which will allow figures to be collected from other staff members. If the figure is not given it will be modelled.
Staff travel costs related to delivering assessments		
Total annual expected travel costs related to EPA of this standard and level	These were not known at this stage as no assessments had been completed. The respondent did anticipate these costs would be highly variable and depend on the type of contracts won. For example, one contract they had quoted for involved 100 EPAs in 100 different locations around the country, and for another contract all assessments would be on one site.	As above suggest we clarify that costs presented should be ex-VAT.
Total annual expected subsistence costs related to EPA of this standard and level		We will prioritise interviews with EPAOs that have completed assessment this so this information should be known.
		As above.
Room hire (annual) in relation to delivering EPAs		
Room hire	Room hire was not needed for the EPA in discussion. The respondent had no issues with the question.	As above recommend we clarify that costs presented should be ex-VAT.
Any other costs related to undertaking each assessment (please describe each in column A, and then put the annual (expected) amount in column B)		

Original field	Pilot feedback	Suggested change
other costs 1	<p>The respondent was able to identify a number of additional costs that would be related to each assessment, these included:</p> <ul style="list-style-type: none"> - Per learner cost of Learner Management System. - Certification - External Quality Assurance costs - Internal verification <p>Costs per apprentice were detailed for the first three, and the respondent wasn't able to provide costs for internal verification as none had been undertaken yet.</p>	<p>Suggest that guidance is given that additional rows can be added as required here, and that costs for the purchase or any goods or services should be ex-VAT.</p>

On-going annual costs of EPA (EPAOs)

Original field	Pilot feedback	Suggested change
Quality control of assessors / the assessment process	<p>Some of the quality assurance costs were included by the respondent in the previous sheet (see above).</p> <p>They anticipated that for internal verification approximately 10% of the number of assessments done would require internal verification at £50 per hour. It was unclear how many hours would be required at this stage for verification of each assessment.⁹</p> <p>The interviewee identified that both internal and external quality assurance takes place – one involves internal staff time and the other was an external fee paid.</p>	<p>Recommend that internal and external quality assurance is split out so both costs are fully captured. In addition, interviewers will be briefed to try and capture costs in the relevant section of the spreadsheet, data will be further quality assured by the team so costs get correctly allocated.</p>

⁹ They expected though to undertake 100% internal verification on assessments when they first started to deliver EPAs.

Original field	Pilot feedback	Suggested change
On-going training of assessors	<p>The exact cost of this was unknown at this stage as the delivery model had not been set (e.g. use of existing internal staff as assessors, recruitment of full time assessors, or the use of contractors). At this stage the EPAO anticipated it would require 5 days per member of staff per year and contractor would bear the cost of their own training.</p> <p>Working on their 'ideal' delivery model of 480 assessments per year with two assessors being paid £25k the cost can be established, though care would need to be taken to exclude this cost from their full time salary for cost of delivering EPAs.</p> <p>Only staff time was mentioned, rather than the cost of someone delivering the training.</p>	<p>Recommend guidance is added to ask each EPAO to add their assumptions against the costs provided and to include the cost of both staff time and the cost of delivering any training/training courses.</p>
Administration time (liaison / dealing with employers, providers or apprentices; uploading EPAs etc.)	<p>This was unknown at the time of interview.</p>	<p>Although no issues were identified we'd recommend that the guidance should ask for the split between time spent by assessors on administration vs. other staff, and the word 'Annual' is added before 'Administration'.</p> <p>We'd recommend additional rows to capture the average salary and pension contribution of other staff spending time on administration.</p>
Annual IT and software development / costs related to assessment of this standard and level	<p>No additional costs were anticipated by the provider and the question caused no issues.</p>	<p>Although no issues were identified we'd suggest adding a note that both staff time and purchases should be included, and any external costs should be ex-VAT.</p>
Annual ongoing marketing	<p>This was unknown at the time of interview.</p>	<p>NONE.</p>
<p>Other on-going costs per annum (e.g. External Quality Assurance, and certification costs). Please describe each in column A, and then put the annual (expected) amount in column B)</p>		
other costs 1	<p>No additional costs we identified by the respondent.</p>	<p>We would recommend that external quality assurance is listed separately and taken out of the description here, so it is more clearly distinguished (see quality assurance section above).</p> <p>As with other sheets we recommend that guidance is given that additional rows can be added as required, and that costs for the purchase or any goods or services should be ex-VAT.</p>



Income (EPAOs)

Original field	Pilot feedback	Suggested change
Fees		
Fee / charge per EPA	<p>The expected average was known by the provider and caused no particular difficulties.</p> <p>However they noted this was the 'starting price', they had demonstrated throughout the interview the costs were highly variable on a number of factors – e.g. the size and number of contracts they won, the most suitable delivery model overall and per contract (use of employed assessors vs. contractors), the geographical spread of the assessments required for a particular contract and whether the assessment interview could be delivered face-to-face or online.</p> <p>Their experience was that “everybody negotiates” so the fee would be different for each contract, and they needed flexibility in their charging model to accommodate this (and understand the impact on the profitability).</p>	Suggest that the phrasing is changed to 'Typical fee/charge per EPA'
Fee / charge per EPA for retakes	No retakes had been undertaken as no assessments had been done. They noted the same amount of preparation, travel and delivery time would be required for a retake. The respondent identified that if the apprentice failed the multiple-choice exam this could be retaken at no extra charge, if the observation or professional interview was failed the re-take fee would be around half of the total fee.	Suggest adding in the guidance that if different charges will be made for retakes of different parts of the EPA that these should be noted.
Number of retakes for this standard and level expect to deliver in a 12 month period	This was unknown at the time of interview, but the question understood.	NONE.
Other income related to End Point Assessment of this standard and level (please describe each in column A, and then put the annual (expected) amount in column B)		
Item 1	No additional income was expected. The question was understood and caused no issues.	NONE.

Annex 2: Advance Letters

Advance letter – training providers

Head of Apprenticeships
XXXXX
XXXXX
XXXXX
XXXXX

DATE 2019
ID: xxxxxxxxxxxx

Dear Sir/Madam

Research into training provider costs of delivering apprenticeship standards

The Institute for Apprenticeships and Technical Education (the Institute) and the Department for Education (DfE) wish to enhance our understanding of the costs incurred by training providers in delivering training and assessment for apprenticeship standards.


IFF Research will be carrying out research on our behalf to support this work. They will contact you shortly to discuss taking part. This will involve IFF sending you a link to an online cost calculation tool, which they will ask you to fill in before somebody from IFF comes to visit to work through the costs you have entered, and to ask a few additional questions. IFF would like to cover three apprenticeship standards that you deliver, to help understand how costs vary across different standards and levels. The visit will therefore need to be with staff able to discuss the costs associated with delivering these standards. We envisage this being department heads and potentially someone in a finance role; this might well be different individuals for each standard. Each discussion should last no more than an hour.

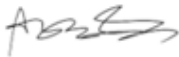
Please be reassured that all information provided will be completely confidential. IfA and DfE will not be told how individual providers have responded; IFF will be aggregating the results from around 100 providers covering approximately 50 standards and all levels. Any specific cost information gathered relating to your organisation will be shared with you, in a format to support your own forecasting and business planning activities.

IFF will contact you shortly to talk through the research project in more detail and discuss who they need to talk to within your organisation to arrange a time for a visit over the next few weeks. In the meantime, if you have any questions about the research please contact _____ [@iffresearch.com](https://iffresearch.com) or call _____ or _____ on _____ at IFF, or _____ at the Institute on _____ or _____ [@education.gov.uk](mailto:_____@education.gov.uk).

We very much hope you will be able to participate in this important study.

Yours sincerely





Lucy Rigler
Deputy Director, Funding Team, IfA

Abbie Lloyd
Deputy Director, Apprenticeship Funding, DfE

Advance letter – EPAOs



Department
for Education



Institute for Apprenticeships
& Technical Education

DATE 2019
ID:xxxxxxxxxxxx

Dear xxxxxxx,

Research into the costs of delivering end point assessment of apprenticeship standards

The Institute for Apprenticeships and Technical Education (the Institute) and the Department for Education (DfE) wish to enhance our understanding of the costs incurred in delivering training and end point assessment for apprenticeship standards.

IFF Research will be carrying out research on our behalf to support this work. They will contact you shortly to discuss taking part. This will involve IFF sending you a costs sheet, which they will ask you to fill in before somebody from IFF comes to visit to work through the costs you have entered, and to ask a few additional questions. IFF would like to cover one apprenticeship standard that you deliver end point assessment for. The visit will therefore need to be with staff able to discuss the costs associated with end point assessment of this standard. The discussion should last no more than an hour.

Please be reassured that all information provided will be completely confidential. IfA and DfE will not be told how individual providers have responded; IFF will be aggregating the results from around 100 providers and 10 EPAOs covering approximately 50 standards and all levels. Any specific cost information gathered relating to your organisation will be shared with you, in a format to support your own forecasting and business planning activities.

IFF will contact you shortly to talk through the research project in more detail and discuss who they need to talk to within your organisation to arrange a time for a visit over the next few weeks. In the meantime, if you have any questions about the research please contact _____ [@iffresearch.com](mailto:iffresearch.com) or call _____ or _____ on _____ at IFF, or _____ at the Institute on _____ or _____@education.gov.uk.

We very much hope you will be able to participate in this important study.

Yours sincerely



Lucy Rigler
Deputy Director, Funding Team, IfA



Abbie Lloyd
Deputy Director, Apprenticeship Funding, DfE

Annex 3: Stage 3 Qualitative Topic Guide (Providers)

Recap aims and objectives of the study

- Working for The Institute for Apprenticeships and Technical Education IfA and DfE, to develop deeper understanding of ‘what does it cost providers to train and assess an apprentice on apprenticeship standards?’
- This stage of the research seeks to understand a bit more about the drivers of the costs of providing apprenticeship standards, commercial decision making, profit levels and funding bands.
- This interview will last around 45-minutes, depending on your answers.
- As with the previous stages of the research, the costs being examined include mandatory qualifications and the EPA (EPA), but *exclude costs of English and maths teaching and assessment*.
- Reassure about confidentiality:
 - The Institute/DfE do not know which providers we are speaking to for this stage of the research. We will be conducting interviews with a total of 25 different providers.
 - The report will not name providers, nor include information which allows a provider to be identified.
 - We work within the MRS code of conduct.
- GDPR:
 - You have the right to see a copy of, amend or delete your data.
 - Personal data will be destroyed at the end of 2019.
 - More details relating to GDPR can be found on <http://www.iffresearch.com/iff-research-gdpr-policy/>

Obtain permission to record

Are you ok if I record the interview today - this is just so I don't have to take detailed notes of everything you say. It will be used for writing up my notes but also quality and monitoring.

Yes	1
No	2

Costs of delivery: learners (5-10 mins)

To begin with, I would like to explore some of the broad factors that influence the costs of delivery of apprenticeship standards for you as a provider.

Can you first talk me through the factors that influence delivery costs per apprentice for standards?

How does the size of a cohort influence the cost of delivery of standards?

- PROBE: Would larger cohort sizes bring about economies of scale for any of your standards, i.e. would a larger cohort drive the cost of delivering standards down?
- IF YES: Are there any exceptions to this, for example are there particular standards where a larger cohort would not impact costs? Why?
- IF NO: Why is this?

How does the location of apprentices influence the cost of apprenticeship standards you deliver? Does this vary at all?

- PROBE: Where costs are higher due to the location of apprentices, is there anything that you do as a provider to counter this, for example using online/remote learning, using hired locations to deliver some face-to-face elements...?

What impact does the amount of prior learning (excluding English and Maths) have on the cost of delivery of apprenticeship standards?

- PROBE: Does prior learning tend to increase or decrease the costs of delivery? Why?
- PROBE: What types of changes do you make to your delivery of apprenticeship standards where apprentices have achieved prior learning? What costs are associated with making these changes?

Does the apprentice's employer impact on the cost of delivery? How does it impact? Does it vary at all?

- PROBE: In what ways do employers support their apprentices/you as a provider? How does this impact upon costs?
- PROBE: Do some employers have particular expectations around delivery that impact on costs? What are these?

How does the age of apprentices on commencement of an apprenticeship standard influence the cost of delivery of standards?

- PROBE: Are there any standards you deliver that have particularly young/old cohorts of learners? Which standards?
- IF YES: How does this influence the cost of delivery of these standards?

Costs of delivery: apprenticeship standard (10-15 mins)

I would now like to explore some of the factors that may influence the costs of delivery of apprenticeships at a specific standard level.

First, how do capital costs required for the delivery of training (for example equipment required for a specific standard) influence the costs of delivery of specific standards?

- PROBE: Are there any standards for which capital costs impact the cost of delivery more than others? IF YES: Which standards? Why?

When considering offering a new standard, how is the potential need to acquire *new* equipment required to deliver the training for the standard taking into consideration? IF NECESSARY: By this we mean making capital investments of brand-new equipment, not using equipment that you already own as a provider.

- PROMPT: Have you decided *against* offering any standards due to the cost of capital investment(s) that would be required? IF YES: Which standards? Why?
- PROMPT: Are capital costs a barrier to offering more niche or specialised standards, for example due to safety restrictions or the need for specialist equipment? IF YES: Which standards?
- PROMPT: How is the potential need to *hire* equipment required taken into consideration? To what extent is this considered as an alternative to investing in the purchase of new equipment?

How does the delivery method (for example face-to-face delivery vs. online delivery) impact the costs of delivery of training?

- PROBE: Are there any standards for which costs are particularly impacted by the delivery method required?
 - IF YES: Which standards are these? Why does the delivery method have more of an impact for these standards than for others?

How have changes/revisions to standards you already offer impacted the costs of delivery of training for those standards?

- PROBE: Which standards have these changes impacted? How did the changes impact on delivery costs?

Where the actual costs of delivery for a standard you deliver have either increased or decreased, what reasons have the staff involved in delivery given for these changes?

- PROBE: Are there any standards which have been impacted by changes to occupational content? How have they been impacted?

Now thinking about delivery staff, are there any standards for which it is more challenging to recruit staff involved in the delivery of training than others?

- PROBE: Which job roles are difficult to recruit, for example trainers, assessors, lecturers? Which standards does this impact?
 - How do these recruitment challenges impact the cost of delivery of these standards?

Commercial decision making: quality (10 mins)

I would now like to discuss some of the factors that you consider when making commercial decisions about which apprenticeship standards to offer.

First of all, at an overall level, what factors are taken into consideration when making commercial decisions about whether to begin offering a particular standard?

- PROBE: How does the mix of standards you offer impact this decision making?
- PROBE: How do these factors vary between different standards, routes or levels?

When considering the delivery of standards you currently offer, or standards you are considering offering, what are the key elements that you feel constitute a 'high quality' delivery of apprenticeship standards?

- PROBE: Is there an internal measure or measures of quality you will not go below? IF YES: What are these and how are they monitored?
- PROBE: What factors impact you being able to deliver what you consider 'high quality' apprenticeship training?

What are some of the risk factors that might be involved for you as a provider if you *do not* deliver apprenticeship standards to the quality level you aim to?

- PROBE: Reputational damage? Financial penalties from employers? Learners failing EPA? Ofsted?

And to what extent do employers demand specific modes of delivery for the apprenticeship standards you are delivering for them? IF NECESSARY: For example, some employers might demand only face-to-face delivery for the entirety of the delivery of a standard.

- PROBE: How do you cater to the needs of employers who demand specific modes of delivery?
- PROBE: How do these demands influence whether you will deliver a standard for a particular employer?
- PROBE: Are there any instances in which these demands are prohibitive in terms of your ability to deliver a standard for an employer, for example due to staff requirements, or facilities you have available?

Commercial decision making: supply and demand (5 mins)

I'd now like to briefly discuss how demand for specific standards, either from employers or from other sources, impacts your commercial decision making.

Firstly, to what extent do decisions to start offering new standards occur as a result of requests from employers you already deliver standards for?

- PROBE: Does this tend to happen when employers you already work with approach you, or do employers you have not worked with before approach you?
- PROBE: How do you respond to employers that approach you regarding delivery of standards you have never delivered before?

And to what extent do you approach employers to gauge levels of demand for a standard when considering offering a new standard?

- PROMPT: How does this impact your decisions regarding whether to start offering new standards? What level of demand would there need to be for you to decide to offer a new standard?

Funding bands (5 mins)

We'd now like to find out about your approach to the funding of the apprenticeship standards you offer.

How do you typically approach differences between the funding band maximum and the actual costs incurred when delivering the standard?

- PROBE: Where the actual costs exceed the funding band maximum, how is the training subsidised?
- PROBE: How willing are employers to cover the additional costs above the funding band maximum?
- PROBE: Where there is a surplus (i.e. the funding band maximum is higher than the actual costs), how is this surplus used?

Where the actual costs exceed the funding band maximum, are there any elements of delivery which are amended or removed?

- PROBE: Which elements are these? Are the same elements typically the 'first to go'? Why?
- PROBE: To what extent are employers involved in decisions regarding which elements of delivery might be amended or removed?

What other actions are taken when the actual costs exceed the funding band maximum for a standard?

Profit and surplus (10-15 mins)

We'd now like to find out a bit more about your approach to achieving a financial [IF ITP: profit / IF NON-PROFIT: surplus / IF HEI: sustainability and investment allowance] for apprenticeship standard delivery.

Is there an aimed-for [IF ITP: profit / IF NON-PROFIT: surplus / IF HEI: sustainability and investment allowance] for apprenticeship standard delivery?

- PROBE: Does this vary between different standards and/or levels? IF YES: How does it vary? Why?

Is the aimed for [IF ITP: profit / IF NON-PROFIT: surplus / IF HEI: sustainability and investment allowance] you have identified a *separate line* on the budget for each standard, or is it *built into each individual operating cost that makes up delivery of standards? Or is it built in in some other way?* IF NECESSARY: By this I mean, is the aimed for profit counted separately, e.g. as an overall percentage mark-up on all operating costs combined, or built in, e.g. as a percentage increase on each aspect of operating costs?

- PROBE: How does this vary between standards/between standards and frameworks/between standards and non-apprenticeship delivery?

How are EPA costs considered when modelling costs for the delivery of specific standards?

- PROBE: Is a 20% cost assumed, or is this something that you negotiate with EPAOs?

Are there any standards for which you are not making a [IF ITP: profit / IF NON-PROFIT: surplus / IF HEI: sustainability and investment allowance]?

- PROBE: Which standards are they and what are the reasons for this?

IF THERE ARE NON-PROFIT MAKING STANDARDS:

How are you able to sustain the delivery of non-profit making standards?

- PROBE: Is this standard being treated as a loss leader?
- PROBE: Is this loss being made to secure business with key employers?
- PROBE: Are other future income streams anticipated which will offset this loss?

Thank and close

Great, thank you very much for your help today. Before we finish, could I check whether there is anything else you wanted to mention that you haven't had a chance to cover today?

Annex 4: Stage 3 Qualitative Topic Guide EPAOs

Recap aims and objectives of the study

- **Working for The Institute for Apprenticeships and Technical Education (The Institute) and DfE, to develop deeper understanding of ‘what does it cost providers to train and assess an apprentice on apprenticeship standards?’**
- **As part of this, we are speaking with End Point Assessment Organisations (EPAOs) to help us to build up a full picture of the cost of provision.**
- **This stage of the research seeks to understand a bit more about the drivers of the costs of conducting EPAs, commercial decision making, profit levels and funding bands.**
- **This interview will last around 45-minutes, depending on your answers.**
- **Reassure about confidentiality:**
 - **The Institute/DfE do not know which providers we are speaking to for this stage of the research. We will be conducting interviews with a total of 25 different providers.**
 - **The report will not name providers, nor include information which allows a provider to be identified.**
 - **We work within the MRS code of conduct.**
- **GDPR:**
 - **You have the right to see a copy of, amend or delete your data.**
 - **Personal data will be destroyed at the end of 2019.**
 - **More details relating to GDPR can be found on <http://www.iffresearch.com/iff-research-gdpr-policy/>**

Obtain permission to record

Are you ok if I record the interview today - this is just so I don't have to take detailed notes of everything you say. It will be used for writing up my notes but also quality and monitoring.

Yes	1
No	2

Costs of delivery: learners (5-10 mins)

To begin with, I would like to explore some of the broad factors that influence the costs of delivery of EPAs.

Can you first talk me through the factors that influence the costs of EPAs per apprentice for standards you provide them for?

How does the size of a cohort influence the cost of provision of EPAs?

- PROBE: Would larger cohort sizes bring about economies of scale for any of the standards you offer EPAs for, i.e. would a larger cohort drive the cost of delivering EPAs down?
- IF YES: Are there any exceptions to this, for example are there particular EPAs where a larger cohort would not impact costs? Why?
- IF NO: Why is this?

How does the location of apprentices influence the cost of EPA delivery? Does this vary at all?

- PROBE: Where costs are higher due to the location of apprentices, is there anything that you do as an EPAO to counter this, for example using online/remote assessment methods, using hired locations to deliver some mandatory face-to-face assessments...?
- PROBE: Where costs are higher/lower due to the location of apprentices is this difference absorbed or passed on to the employer?

Does the apprentice's employer impact on the cost of delivery of EPAs? How does it impact? Does it vary at all?

- PROBE: In what ways do employers support their apprentices/you as an EPAO? How does this impact upon costs?
- PROBE: Do some employers/providers have expectations around delivery of EPAs that impact on costs? What are these?

How does the age of apprentices on commencement of an apprenticeship standard influence the cost of delivery of EPAs?

- PROBE: Are there any standards you deliver EPAs for that have particularly young/old cohorts of learners? Which standards?
- IF YES: How does this influence the cost of delivery of EPAs for these standards?

Costs of delivery: apprenticeship standard (10-15 mins)

I would now like to explore some of the factors that may influence the costs of delivery of EPAs for the different standards you offer them for.

First, how do capital costs required for the delivery of EPAs (for example equipment required for EPA delivery for a specific standard) influence the costs of delivery of EPAs overall for specific standards?

- PROBE: Are there any standards for which capital costs impact the cost of delivery of EPAs more than others? IF YES: Which standards? Why?

When considering offering EPAs for a new standard, how is the potential need to acquire *new* equipment required to deliver the EPA for the standard taken into consideration? IF NECESSARY: By this we mean making capital investments of brand-new equipment, not using equipment that you already own as an EPAO.

- PROBE: Have you decided *against* offering EPAs for any standards due to the cost of capital investment(s) that would be required? IF YES: Which standards? Why?
- PROBE: Are capital costs a barrier to offering EPAs for more niche or specialised standards, for example due to safety restrictions or the need for specialist equipment? IF YES: Which standards?
- PROBE: How is the potential need to *hire* equipment required taken into consideration? To what extent is this considered as an alternative to investing in the purchase of new equipment?

How do the modes of assessment (for example face-to-face vs. online assessment) impact the costs of delivery of EPAs? IF NECESSARY: By modes of assessment we mean, for example, professional dialogues, portfolio submission, written tests, online tests, etc...

- PROBE: Are there any standards for which costs are particularly impacted by the modes of assessment required?
 - IF YES: Which standards are these? Why does the assessment method have more of an impact for these standards than for others?

How have changes/revisions to the published EPAs for standards you already offer impacted the costs of delivery of providing EPAs for those standards?

- PROBE: Which EPAs have these changes impacted? How did the changes impact on delivery costs?

Where the actual costs of provision of EPA for standards you deliver have either increased or decreased, what reasons are behind these changes?

- PROBE: Are there any EPAs which have been impacted by changes to occupational content, for example technological changes? How have they been impacted?

Now thinking about EPA assessment staff, are there any standards for which it is more challenging to recruit staff involved in the provision of EPAs than others?

- PROBE: Which job roles are difficult to recruit? Which standards does this impact?
- How do these recruitment challenges impact the cost of providing EPAs for these standards?

Commercial decision making: quality (10 mins)

I would now like to discuss some of the factors that you consider when making commercial decisions about which EPAs to offer.

First of all, at an overall level, what factors are taken into consideration when making commercial decisions about whether to begin offering EPAs for a particular standard?

- PROBE: How does the mix of standards you offer EPAs for impact this decision making?
- PROBE: How do these factors vary between the different standards, routes or levels you offer EPAs for?

When considering the delivery of EPAs you currently offer, or EPAs you are considering offering, what are the key elements that you feel constitute a 'high quality' provision of an EPA for an apprenticeship standard?

- PROBE: Is there an internal measure or measures of quality you will not go below? IF YES: What are these and how are they monitored?
- PROBE: How do the funding bands allocated to standards drive decisions around the quality level of EPAs?

And to what extent do employers or providers demand specific modes/instruments of assessment for the EPAs you are delivering for them? IF NECESSARY: For example, some employers or providers might demand specific assessment modes/instruments for the EPA for a particular standard.

- PROBE: How do you cater to the needs of employers or providers who demand specific modes of assessment?
- PROBE: How do these demands influence whether you will deliver EPAs for a particular provider or employer?
- PROBE: Are there any instances in which these demands are prohibitive in terms of your ability to deliver EPAs, for example due to staff requirements, or facilities you have available?

Funding bands (5 mins)

We'd now like to find out more about how the allocated funding band for a standard impacts the delivery of EPAs for you as an EPAO.

Where the funding band allocated to an apprenticeship standard does not fully cover the costs incurred overall for delivery and assessment of that standard, what action do you take as an EPAO?

- PROBE: To what extent are employers willing to pay extra to fund EPAs where there is a funding band discrepancy?

Where the actual costs exceed the funding band maximum, are there any elements of the EPA which are amended or removed?

- PROBE: Which elements are these? Are the same elements typically the 'first to go'? Why?
- PROBE: To what extent are providers or employers involved in decisions regarding which elements of delivery might be amended or removed?

What other actions are taken when the actual costs exceed the funding band maximum for a standard you deliver the EPA for?

Profit and surplus (10-15 mins)

We'd now like to find out a bit more about your approach to achieving a financial profit for EPA delivery.

Is there an overall aimed-for profit for EPA delivery across the business?

- PROBE: Does this vary between different standards and/or levels you offer EPAs for? IF YES: How does it vary? Why?

Is the aimed for profit you have identified a *separate line* on the budget for each EPA you deliver, or is it *built into* each individual operating cost that makes up delivery of EPAs across the business? Or is it *built in in some other way*? IF NECESSARY: By this I mean, is the aimed for profit counted separately, e.g. as an overall percentage mark-up on all operating costs combined, or built in, e.g. as a percentage increase on each aspect of operating costs?

- PROBE: How does this vary between standards you deliver EPAs for/between other types of assessment you offer?

Are there any EPAs for which you are not making a profit?

- PROBE: Which standards are these EPAs for and what are the reasons for this?

IF THERE ARE NON-PROFIT MAKING STANDARDS:

How are you able to sustain the delivery of non-profit making EPAs?

- PROBE: Is this EPA being treated as a loss leader?

- PROBE: Is there a maximum loss that is permissible? How long can this be sustained for?
- PROBE: Is this loss being made to secure business with key employers?
- PROBE: Are other future income streams anticipated which will offset this loss?

External Quality Assurance

If you use an External Quality Assurance (EQA) provider who charges you for their services, do you include this within the costs that you charge back to the provider as part of the funding band allocation or elsewhere?

- PROBE: If you deal with multiple EQA providers, are there any indirect or administrative costs in dealing with multiple providers?
- PROBE: If you deal with multiple EQA providers, how do you account for EQA costs, and how do you reflect the different EQA charges depending on the standard you cover?
- PROBE: Do you have an understanding of what the EQA charges cover and whether you are receiving value for money for EQA services?
- PROBE: Have EQA costs ever meant the total cost of assessment has exceeded the funding band allocation?

Thank and close

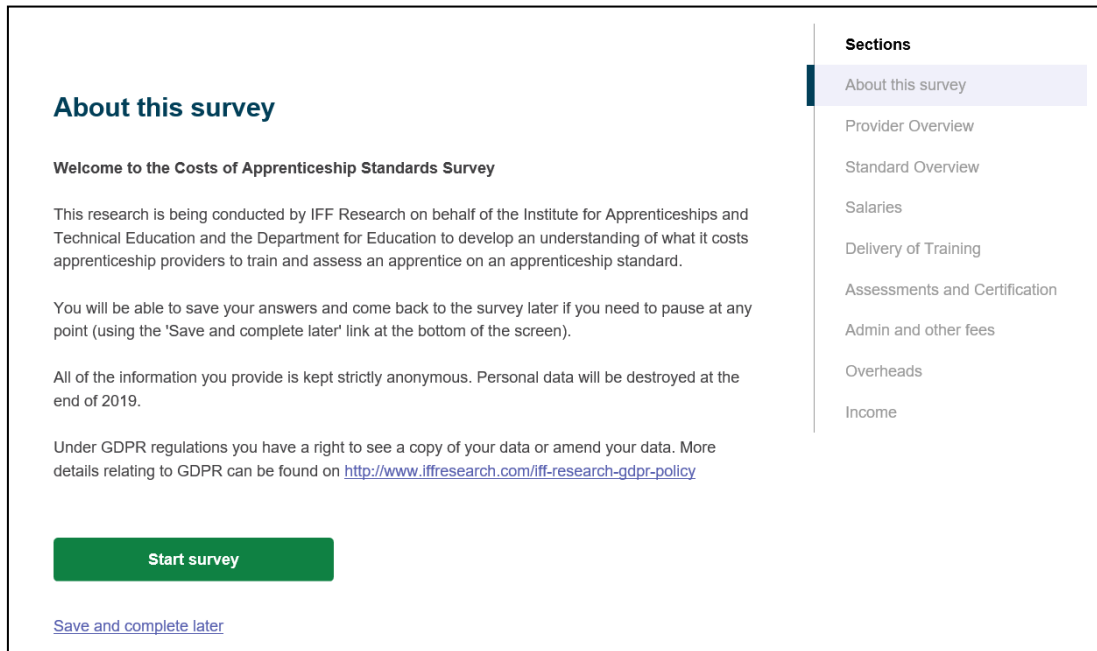
Great, thank you very much for your help today. Before we finish, could I check whether there is anything else you wanted to mention that you haven't had a chance to cover today?

Annex 5 Online data collection tool

Landing Page

The landing page informed providers that the aim of the research was to help the Institute for Apprenticeships and Technical Education and the Department of Education to develop an understanding of what it costs apprenticeship providers to train and assess and apprentice on an apprenticeship standard. It also included information on anonymity and GDPR regulations.

Figure 7.1 Online tool Landing Page



Provider Overview

This section focused on gathering key information about the provider (Figure 7.2). This included, for example, the number of standards offered, and the number of apprentices enrolled. Some of the information from this section was used for basic validation, for example the data was used to check the cohort figures provided in the following section of the online tool; the cohort numbers had to be lower than the overall number of apprentices on standards.

Figure 7.2: Online tool Provider Overview

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Provider Overview

Please enter this information on your organisation as a whole

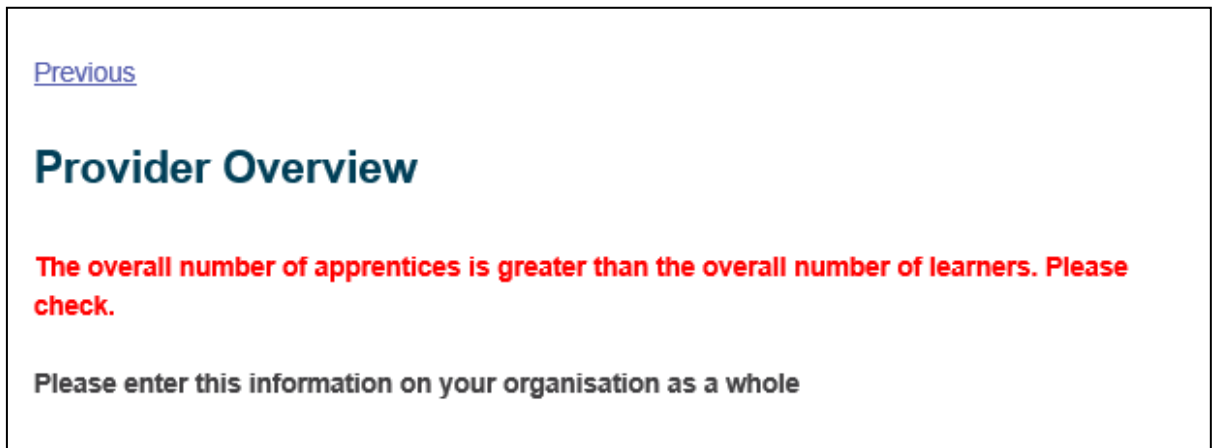
<p>Overall number of learners <i>All FTE learners. (Please include both apprentices and those on other courses; if you do not know the exact number, please give your best estimate)</i> Write in number</p>	<input style="width: 80px; height: 25px;" type="text"/>
<p>Overall income in last financial year <i>Please include total overall income, not just that related to apprenticeships; if you do not know the exact number, please give your best estimate</i> Write in number</p>	<input style="width: 80px; height: 25px;" type="text"/>
<p>Number of apprenticeship standards offered <i>Number of apprenticeship standards currently delivering and/or able to enrol new apprentices onto</i> Write in number</p>	<input style="width: 80px; height: 25px;" type="text"/>
<p>Number of apprenticeship frameworks offered <i>Number of apprenticeship frameworks currently delivering and/or able to enrol new apprentices onto</i> Write in number</p>	<input style="width: 80px; height: 25px;" type="text"/>
<p>Overall number of apprentices (all) <i>Overall number of apprentices currently on programme (both standards and frameworks)</i> Write in number</p>	<input style="width: 80px; height: 25px;" type="text"/>
<p>Overall number of apprentices on standards <i>Number of apprentices on standards currently on programme</i> Write in number</p>	<input style="width: 80px; height: 25px;" type="text"/>
<p>Number of apprentices enrolled in the last 12 months <i>Number of apprentices enrolled on standards in last 12 months</i> Write in number</p>	<input style="width: 80px; height: 25px;" type="text"/>

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During the follow-up interview, providers were asked about any information that was missing. Additionally, the online tool was set up to ensure that the data 'makes sense', for example by checking that overall number of apprentices were not greater than the overall number of learners – when this was the case an error message (see Figure 7.3) was displayed on screen to prevent erroneous figures being entered.

Figure 7.3: Online tool provider overview error message



Standard Overview

This section of the tool sought to understand more specific information about the standard in question, including the number of learners that make up a typical cohort and the minimum/maximum number of learners possible in a cohort (Figure 7.4). During the follow-up interview providers were asked about the drivers of the minimum/maximum number of learners in a cohort and how these were decided; as well as providing useful context, this enabled us to validate these figures and ensure that the cohort size provided was accurate.

Providers were asked to base figures given from this section onwards on the 'typical cohort' size they specified. During the follow-up interview we discussed how representative the typical cohort given was. However, in cases where providers felt unable to provide a 'typical cohort' size (for example when they had only had one cohort of learners on the standard thus far and felt they could not use this to generalise to a 'typical' size), the option to use a *specified* cohort size was given. In these cases, we checked with providers what made providing a typical cohort difficult in the follow-up interview. Of the total 204 data points collected, 24 gave responses based on a specified cohort.

Once a cohort size was chosen the online tool pulled this figure through and reminded providers of this at subsequent points. This ensured providers were reminded the basis upon which they were giving costs, to help improve accuracy.

Figure 7.4: Online tool typical cohort collection

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Standard Overview

Please complete the following based on a typical cohort for Bricklayer Level 2.

Typical number of learners in a cohort for this standard and level Write in number	<input style="width: 90%;" type="text"/>
Average duration for a typical cohort to successfully complete <i>Actual (average) duration of course in MONTHS</i> Write in number	<input style="width: 90%;" type="text"/>
Number of apprentices in a typical cohort aged 16-18 on commencement <i>If no learners in this age bracket, please enter 0</i> Write in number	<input style="width: 90%;" type="text"/>
Number of apprentices in a typical cohort aged 19-24 on commencement <i>If no learners in this age bracket, please enter 0</i> Write in number	<input style="width: 90%;" type="text"/>
Number of apprentices in a typical cohort aged 25+ on commencement <i>If no learners in this age bracket, please enter 0</i> Write in number	<input style="width: 90%;" type="text"/>
Number of apprentices in a typical cohort with learning disabilities and difficulties Write in number	<input style="width: 90%;" type="text"/>

If you are unable to provide figures for a typical cohort, please indicate this here.

Unable to provide figures

Any comments on figures provided:

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Providers were then asked the average delivery cost per apprentice for the standard at their organisation. This figure could be compared with the final figure calculated based on the data provided, which enabled us to check that the cost we calculated was in line with the average cost the provider estimated. Providers were also asked how they calculated this average cost, so where there were discrepancies it was possible to check which elements in the calculations were different. In the follow-up interview where providers had not given an adequate level of detail on the method of calculating this cost in the online tool, they were asked which elements went into it and how they calculated it.

This section also asked providers to input the job titles of all staff involved in delivering the standard in question. This included training and teaching staff, as well as management and administration staff. Providers were able to input the job titles of staff involved in delivery against the aspect of delivery they were involved with, as shown in Figure 7.5. These job titles were then filtered through as text subs for the relevant later sections of the online tool.

Figure 7.5: Online tool job title collection

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Standard Overview

Please enter the job titles of staff involved in delivering Bricklayer, Level 2. This includes training and teaching staff, as well as management and administration staff (including administration tasks such as updating the ILR). Please enter one job title in each box below. Please also indicate for each which aspects of delivering the standard they are involved in.

If you have multiple people with the same job title and level please only include once.

	Job Title	Number employed in this role	Involved in... Please select all that apply			
			Training	Administrative activities	Management activities	Assessment
1:	<input type="text" value="Tutor"/>	<input type="text" value="1"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2:	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

+ Add role

Any comments on information provided:

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Delivery of Training

This section of the online tool focused on the different aspects of the delivery of training. Providers were routed through this section based on the types of training they said that the delivery of the standard in question involved, including face-to-face training, online training and self-directed learning, as shown in Figure 7.6.

Providers were then asked the number of hours each apprentice spent on off-the-job training in order to meet the minimum requirements of the standard. Where providers said that additional training (beyond the minimum required for the standard) was requested by employers, the number of hours spent on this per apprentice were also asked for.

Figure 7.6: Online tool types of training

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Delivery of Training

Does your delivery of Bricklayer, Level 2 involve...

	Yes	No	Don't know
Training delivered face-to-face to a group / cohort	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Training delivered face-to-face on a one-to-one basis	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Training delivered through online live streaming	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Self-directed / distance learning by the apprentice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Additional training requested by the employer (beyond the minimum required for the standard)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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The job titles of staff involved in teaching the standard in question were used as text substitutions throughout the question wherever data was gathered on the number of hours spend on delivery of the standard. This enabled us to split out the hours spent on different methods of delivery by different members of staff and link to the salaries that had been provided. This high level of detail enabled us to effectively calculate the overall hours spent on different aspects of delivery and the associated cost. An example of this is shown in Figure 7.7.

During the follow-up interview, providers were asked how easily they were able to provide the number of hours spent and whether they were concerned that they had duplicated any of the figures across types of training. If they were concerned about this, the interviewer would work through each aspect of the delivery they have provided hours against with them to confirm what was included in this and to amend any figures if duplication had occurred.

Figure 7.7: Online tool hours spent on delivery of training

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Delivery of Training

Core off the job training to meet minimum requirements of Bricklayer, Level 2

Total hours off-the-job training delivered face-to-face through classroom teaching by each role for a typical cohort (Include face to face lectures or workshops)

Please give hours delivered by each role to the nearest hour. Face-to-face time should include any training delivered in person on the employer's premises.

Tutor	<input style="width: 90%;" type="text"/>
--------------	--

Total hours off-the-job training delivered face-to-face on a one-to-one basis by each role for a typical cohort (Include face to face lectures or workshops)

Please give hours delivered by each role to the nearest hour.

Tutor	<input style="width: 90%;" type="text"/>
--------------	--

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The number of hours spent by each job role given on providing additional training requested by employers were also asked for in this section.

Once this information had been collected, providers were asked for the average class sizes by teaching job role for the different methods of teaching of the standard in question, as shown in Figure 7.8. During the follow-up interview providers were asked about how they calculated the average class size and whether it was based on the specified cohort where it was not the same as the overall typical cohort.

Figure 7.8: Online tool average class size

The screenshot shows a web interface for 'Delivery of Training'. At the top left is a 'Previous' link. The main heading is 'Delivery of Training'. Below it is a dark blue bar with the text 'Average class sizes'. Underneath, the text reads 'Average class size for off-the-job classroom / group training delivered by each role'. There is a table with one row for 'Tutor' and one empty column for input. To the right of the input field is a checkbox with the text 'Tick here if same as overall typical cohort'. Below the table is a green 'Save and continue' button. At the bottom left are links for 'Save and complete later' and 'Previous'. On the right side, there is a 'Sections' sidebar with a list of items: 'About this survey', 'Provider Overview', 'Standard Overview', 'Salaries', 'Delivery of Training' (highlighted), 'Assessments and Certification', 'Admin and other fees', 'Overheads', and 'Income'. Each item in the sidebar has a green checkmark to its left.

Assessments and Certification

Providers were asked to select whether different mandatory and non-mandatory qualifications and licenses to practice were included in the delivery of the standard in question. Providers were only routed through the questions relevant to the type of assessments included, which focused on the costs of these qualifications and licenses to practice.

Providers were asked about the costs of End Point Assessments. In the follow-up interview, they were asked about whether the cost of assessment varied depending on which EPAO they used; this enabled us to contextualise the data and provided some sense of the variability of this aspect of the cost of providing the standard.

As well as this, providers were asked about the amount of time spent by staff towards on-programme assessment and preparation for EPA (separate to the EPA itself). This was asked on a job title basis for each job title involved in the delivery of the standard (including those involved in tasks outside of teaching), Figure 7.9 illustrates the types of data collected in this section.

Figure 7.9: Online tool hours spent on assessments

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Assessments and Certification

We would now like you to tell us about the hours spent by your staff towards on programme assessment and end point assessment. Please only include hours spent by your staff, NOT hours spent by the apprentices themselves.

We would like to collect the time spent by staff in different roles separately, so that we can account for different salary levels when calculating the overall cost of delivering the standard.

Please give a total for the whole Bricklayer, Level 2

Please exclude English and Maths in any costs/time assessments

On programme assessment

Regular on-programme assessments conducted face to face

Hours per typical cohort spent by Tutor	<input style="width: 90%;" type="text"/>
Hours per typical cohort spent by Administrator	<input style="width: 90%;" type="text"/>

Regular on-programme assessments conducted on the telephone

Hours per typical cohort spent by Tutor	<input style="width: 90%;" type="text"/>
Hours per typical cohort spent by Administrator	<input style="width: 90%;" type="text"/>

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Admin and other fees

This section split the administration time spent by each job title given on different aspects of administration, including that related to training and assessments, to EPAs, and to completing the ILR.

Other costs, such as costs of materials (excluding capital costs, which were covered in the follow-up interview) were included in this section, as well as costs of licenses for software, room hire and accommodation costs. These costs were based on the number of learners in a typical/specified cohort.

During the follow-up interview we were able to gather examples of the types of materials they have included in these costs; this enabled us to confirm that none of these costs were in fact Capital Investment costs, which were more appropriately covered later in the follow-up interview. Where providers had erroneously entered capital costs at this stage, the research team edited this in the data after the follow-up interview.

Figure 7.10: Online tool administration costs and fees

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Admin and other fees

Administration costs and fees

Costs associated with the minimum training required for Bricklayer Level 2

<p>Cost of materials (non-capital items) used in the delivery of the minimum training required for the standard to a typical cohort of 20 learners</p> <p><i>Cost paid for materials.</i></p> <p><i>Exclude capital costs, including equipment. Capital costs are any one-time costs incurred on the purchase of land, buildings, construction and equipment to be used in the delivery of this standard or apprenticeships in general</i></p> <p>Please write in £.</p>	<input style="width: 90%; height: 30px;" type="text"/>
<p>Licence fees for proprietary software used in the delivery of the minimum training required for the standard to a typical cohort of 20 learners</p> <p><i>Annual student license fees for any proprietary software used for the delivery of the standard, excluding any software used for diagnostic/assessment activities'</i></p> <p>Please write in £.</p>	<input style="width: 90%; height: 30px;" type="text"/>

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Overheads

This section of the online tool focused on the recruitment and on-boarding costs associated with delivering the standard in question, as shown in Figure 7.11.

Other overhead costs were also requested in this section, including contributions to rent of the building and maintenance of equipment.

During the follow-up interview, interviewers checked whether these overhead costs related to the cohort or the whole standard. Where providers said that these costs related to the whole standard, interviewers checked how many apprentices per year on the standard in question led to the overhead costs provided. This enabled us to check the cost per apprentice of these overhead figures.

Figure 7.11: Online tool overhead costs

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Overheads

Please enter any costs associated with recruitment and on-boarding of apprentices.

Please exclude English and Maths in any costs/time assessments

Recruitment and on-boarding costs for Bricklayer Level 2

Total amount spent on recruitment advertising for apprentices on Bricklayer for a typical cohort <i>Average per typical cohort</i> Please write in £	<input style="width: 90%;" type="text"/>
Total amount spent on contacting employers to advertise training offer for Bricklayer for a typical cohort <i>Average per typical cohort</i> Please write in £	<input style="width: 90%;" type="text"/>
Total time spent negotiating with employer/s for a typical cohort, including any time spent on tendering <i>Average time in hours spent per typical cohort</i> Please write in number	<input style="width: 90%;" type="text"/>
Cost of diagnostic tests and assessment of prior learning (excluding English and Maths) for a typical cohort <i>Average per typical cohort</i> Please write in £	<input style="width: 90%;" type="text"/>
Cost of screening interviews (incurred conducting interviews with apprenticeship candidates on behalf of employer) for a typical cohort <i>Average per typical cohort</i> Please write in £	<input style="width: 90%;" type="text"/>

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Salaries

Finally, providers were asked to input the typical annual salary, or if preferable the hourly wage of the staff with each job title specified. During the follow-up interview these salaries were confirmed in cases in which they were unusually high or low.

Specifically, in instances where salaries seemed unusual, providers were asked about the possible causes of this, for example whether they had mistakenly entered the actual salary of a part-time member of staff, rather than the full-time equivalent.

Figure 7.12 Online tool salaries

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Salaries

Please state the annual salary and pension contribution of each job role and level involved in delivering the Bricklayer.

For salaried staff, please enter the typical annual salary (FTE). For hourly paid staff, please enter the typical hourly wage.

	Typical annual salary (FTE) (£)	Hourly wage (£)	Typical employer pensions contribution (%)
Tutor	<input type="text"/>	<input type="text"/>	<input type="text"/>
Administrator	<input type="text"/>	<input type="text"/>	<input type="text"/>

Any comments on figures provided:

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Income

This section asked for the income received per apprentice for the standard. Providers were also asked to input any additional funding they received from employers where they specified that employers requested additional training beyond the minimum required.

Figure 7.13: Online tool Income

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Income

Please give a total for the whole standard

Please exclude English and Maths in any costs/time assessments

Income for standard Bricklayer, Level 2

Income received up to funding band maximum <i>Per apprentice (£)</i>	<input style="width: 95%; height: 25px;" type="text"/>
Income received from employer above funding band maximum <i>Income received from employer, per apprentice (£)</i>	<input style="width: 95%; height: 25px;" type="text"/>
Total negotiated price <i>Total public funding plus employer funding per apprentice (£)</i>	<input style="width: 95%; height: 25px;" type="text"/>
Proportion of funding reserved for EPA fees <i>% reserved for EPA fees</i>	<input style="width: 95%; height: 25px;" type="text"/>
Funding received for additional learning support <i>Per apprentice requiring additional learning support (£)</i>	<input style="width: 95%; height: 25px;" type="text"/>
Proportion of typical cohort for which funding for additional learning support is received <i>% of typical cohort</i>	<input style="width: 95%; height: 25px;" type="text"/>

Sections

- ✓ [About this survey](#)
- ✓ [Provider Overview](#)
- ✓ [Standard Overview](#)
- ✓ [Salaries](#)
- ✓ [Delivery of Training](#)
- ✓ [Assessments and Certification](#)
- ✓ [Admin and other fees](#)
- ✓ [Overheads](#)
- Income

Capital Investment

Capital Investment costs were discussed in the follow-up discussion rather than being included as part of the online tool. This was broken down where possible so that the overall capital investment costs could be analysed at the reporting stage.

Providers were asked to give the total value of all capital investments they made in relation to the standard in question in the last financial year. They were then asked about the content of these investment costs, i.e. what different investments were included. Additionally, where these costs were

associated with multiple standards, providers were asked to estimate the proportion of the investment used for the delivery of the standard in question.

Providers were asked the number of apprentices that use each of the capital investments discussed; this enabled us to calculate the cost per apprentice. Finally, the depreciation of value and the time over which the costs were written off were discussed.

When asking about Capital Costs, interviewers confirmed that there had been no duplication of these costs, for example that there were not any costs entered at the 'Overheads' section which were in fact Capital Investment costs, and vice versa.

“

IFF Research illuminates the world for organisations businesses and individuals helping them to make better-informed decisions.”

Our Values:

1. Being human first:

Whether employer or employee, client or collaborator, we are all humans first and foremost. Recognising this essential humanity is central to how we conduct our business, and how we lead our lives. We respect and accommodate each individual's way of thinking, working and communicating, mindful of the fact that each has their own story and means of telling it.

2. Impartiality and independence:

IFF is a research-led organisation which believes in letting the evidence do the talking. We don't undertake projects with a preconception of what "the answer" is, and we don't hide from the truths that research reveals. We are independent, in the research we conduct, of political flavour or dogma. We are open-minded, imaginative and intellectually rigorous.

3. Making a difference:

At IFF, we want to make a difference to the clients we work with, and we work with clients who share our ambition for positive change. We expect all IFF staff to take personal responsibility for everything they do at work, which should always be the best they can deliver.



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