This paper sets out a summary of the findings of the review of delivery models, activity levels and activity costs for the Hairdressing frameworks

**Background**

The review of activity costs is based on a standard methodology and modelling tools that are being applied consistently across all sectors in scope.

The approach is based on:

- Access to LSC data to inform the review
- Dialogue with the sector body on apprenticeship issues
- Interviews with effective providers (i.e. those providers with good or above average inspection grades and apprenticeship success rates) to establish activity levels
- An expert panel meeting to review data and evidence on activity levels
- Modelling of activity costs against provider data and panel advice
- Consultation with the sector on the panel advice and issues emerging
- Moderation of panel advice by an LSC project group

**A Phased Approach to Reviews**

Apprenticeship frameworks have been reviewed in four phases over the period from September 2005 to December 2006. Frameworks reviews in phase 1 were completed in January 2006 leading to funding rate changes in August 2006.

The activity costs models and assumptions were maintained over the four phases but the methodology was enhanced in phase 2 to include improved information for expert panels and more detailed feedback to providers on issues and expert panel advice.

The Hairdressing frameworks were reviewed in phase 1. This report includes some summary data and information and activity costs presentation material that was developed as part of phase 2.
Funding Rates for NVQs and Apprenticeships

LSC Data

Numbers in Learning

<table>
<thead>
<tr>
<th></th>
<th>Starts (Monthly Average 2005)*</th>
<th>In Learning (July 2005)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>16 - 19</td>
<td>19+</td>
</tr>
<tr>
<td>Apprenticeship</td>
<td>89%</td>
<td>11%</td>
</tr>
<tr>
<td>Advanced</td>
<td>46%</td>
<td>54%</td>
</tr>
</tbody>
</table>

Source: ILR 2004/2005

*Average taken from quarterly reports (January/April/July/October 2005)

Success Rates

<table>
<thead>
<tr>
<th></th>
<th>Framework</th>
<th>NVQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apprenticeship</td>
<td>44%</td>
<td>7%</td>
</tr>
<tr>
<td>Advanced</td>
<td>28%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Source: ILR 2004/2005 Period 12

Average Length of Stay in Months

<table>
<thead>
<tr>
<th></th>
<th>Non completion</th>
<th>Framework</th>
<th>NVQ Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apprenticeship</td>
<td>9.0</td>
<td>22.4</td>
<td>23.3</td>
</tr>
<tr>
<td>Advanced</td>
<td>14.5</td>
<td>25.8</td>
<td>25.2</td>
</tr>
</tbody>
</table>

Source: ILR 2004/2005 Period 12 and LSC Data

Provider Interviews

A sample of effective providers was identified in discussion with Habia.

These providers were interviewed in November 2005 through a series of visits to provider locations.

A completed survey form was shared with each provider to review and update. A summary of the provider comments on delivery models and activity levels was shared with the providers in the interview sample for comment and feedback.

Expert Panel

Habia convened an expert panel with representatives from:

- Habia
- Adult Learning Inspectorate
- Awarding bodies
- A provider nominated by the Association of Learning Providers
Funding Rates for NVQs and Apprenticeships

- Independent providers
- An FE College
- Learning and Skills Development Agency
- The consultant to the project

Expert Panel Meeting and Advice

The panel met on 14 December 2005 and reviewed the data and evidence from the LSC and provider surveys. The panel used this evidence to formulate advice on activity levels for effective delivery.

Habia Comments

There are planned changes to the frameworks for implementation in 2006 and approval of these changes will have a positive impact on activity levels.

In the UK there are approximately 34,000 hairdressing salons employing 150,000 people. There are a variety of salon types. Some salons offer services to both ladies and men. Barbers specialise in gent’s hairdressing. Other salons cater purely for African Caribbean hairdressing. The NVQ Level 2 in Hairdressing is a foundation level qualification that is used by junior hairdressers. The industry standard is the NVQ Level 3 in Hairdressing that prepares the hairdresser to carry out all types of treatments and services required in commercial salons. There are separate qualifications for barbers and routes for those that want to specialise on African Caribbean hair.

Scope of Panel Meeting

The scope of this report is limited to hairdressing, reflecting the membership of the Expert Panel. Frameworks of other industries in the hair & beauty sector (barbering, nails, spa, and beauty therapy) would need consideration by relevant experts. These other frameworks are at a much earlier stage in their take up and implementation, compared to hairdressing, which enjoys widespread take up across England.

Previous Advice and Recent Changes

The new hairdressing NVQs were available from Sept 2003. When the panel met for the first time in 2004, members were still running the old NVQs and only beginning to get to grips with the revised qualification structures and assessment systems. The available LSC data was from the previous year i.e. on the old NVQs. The panel’s view, backed by evidence from the consultation on the Sector Qualifications Strategy, is that the new NVQs are heavier in knowledge teaching and assessment terms.

At the last review Habia responded to requests for greater clarity regarding the extent and depth of knowledge to be assessed by breaking down the knowledge statements into smaller, more specific statements. It appears an unintended outcome is that there are far more questions in the mandatory assessment papers than previously. These
are set by the awarding bodies, marked by the centre, internally verified and then externally verified by the awarding body. Anyone not achieving 70% has to re-sit the whole paper. Eventual 100% pass mark is required.

This has led to a recommendation of the 2005 Expert Panel that more input is needed to deliver a good quality training programme leading to successful completion.

Panel Comments on Models of Delivery

The apprenticeship is delivered through a substantial programme of training and skills development combined with regular and frequent work based visits and assessments.

Employer engagement is a key factor that influences the proportions and volume of these activities.

Group based training sessions take place over the duration of the programme. These sessions are used to deliver underpinning knowledge and to develop practical skills.

Group based sessions may take place in working salons or simulated working conditions where providers make the resource available to clients on a reduced charge basis reflecting the time taken to complete the treatments and services and the tutor support that is required. It may be possible to complete some assessments during these sessions.

The panel stressed the need for regular and frequent visits to the workplace over the duration of the framework. These visits can be quite lengthy depending on the units being observed e.g. a cut and perm may take up to 3 hours to complete from start to finish. This would include the time it takes for the learner and assessor to agree the assessment plan, for the learner to carry out the services and for assessment documentation to be completed. This then has a knock on effect for internal verification, whereby the internal verifier would need to observe the whole assessment process.
Expert Panel Advice for Apprenticeship Delivery

The expert panel set out their advice as a basis for establishing the costs of a model 'of effective delivery. *This is not intended to be a ‘recipe’ that providers should follow.*

<table>
<thead>
<tr>
<th>Activity</th>
<th>Panel Advice 2006</th>
<th>Notes and Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned Time to Complete</td>
<td>24 months</td>
<td>Estimated time for effective delivery based on provider interviews and LSC data</td>
</tr>
<tr>
<td>Group based knowledge and skills</td>
<td>420 hours</td>
<td>Based on a two year day release programme of 36 weeks of 7.5 hours per day with some time allocated to group based key skills sessions</td>
</tr>
<tr>
<td>Work based knowledge and skills</td>
<td>2.0 days</td>
<td>A programme of regular visits to the work place with time allocated across knowledge and skills development and work based observation and assessment</td>
</tr>
<tr>
<td>NVQ assessment and support</td>
<td>6.0 days</td>
<td>Lead internal verifier time per learner for joint assessor visits, portfolio sampling and moderation meetings and activities</td>
</tr>
<tr>
<td>NVQ quality assurance</td>
<td>3.5 days</td>
<td>Lead internal verifier time per learner for joint assessor visits, portfolio sampling and moderation meetings and activities</td>
</tr>
<tr>
<td>Group based key skills</td>
<td>60 hours</td>
<td>Group based delivery of key skills as part of the day release programme</td>
</tr>
<tr>
<td>Work based key skills</td>
<td>0 days</td>
<td>Group based delivery of key skills as part of the day release programme</td>
</tr>
<tr>
<td>Regular review</td>
<td>2.0 days</td>
<td>Delivered as part of the programme of work based visits by assessors with at least 8 regular review sessions of ¼ per review and high levels of learner support and advice</td>
</tr>
<tr>
<td>Learner support</td>
<td>2.5 days</td>
<td></td>
</tr>
<tr>
<td>Entry activities 1:1</td>
<td>2.0 days</td>
<td>An entry programme: an interview (1/2 day), assessment (1 day) and a work based induction (1/2 day) all 1:1 time with an assessor</td>
</tr>
<tr>
<td>Group based induction</td>
<td>35 hours</td>
<td>As part of the initial group based sessions</td>
</tr>
<tr>
<td>Registration Certification</td>
<td>£ 128</td>
<td>Based on costs of NVQ, Key Skills and sector body certificate</td>
</tr>
</tbody>
</table>

**Note:** The allocated time for work based assessor activity is equivalent to a *full-time* assessor caseload of 1:32 with separate staff responsible for entry activities. This is in addition to time allocated in group based sessions for observation and assessment.
Funding Rates for NVQs and Apprenticeships

Activity Costs for Apprenticeship Delivery

The activity costs model has been set up to compare the LSC funding in 2005/06 to the reported activity levels with the following costs assumptions:

- Group based classroom activity weighted at factor C\(^1\)
- Assessor employment costs weighted at factor A\(^2\) based on independent research on salary rates and employments costs
- Registration and Certification costs of £128 based on information collected from awarding bodies

The model includes a factor for success rates and this is based on the reported 2004/05 success rates of 44% uplifted to a minimum level of 54% to reflect improvements in success rates by 2007/08.

The activity costs emerging from the review were:

![Current Funding and Activity Costs](image)

This suggests that activity costs for effective delivery are significantly above the current funding rates based on panel advice on activity levels.

\(^1\) This is based on the LSC programme weighting factors for guided learning hours
\(^2\) A separate report on employment costs provides more details of the bands and methodology used to map sectors to employment bands
Expert Panel Advice for Advanced Apprenticeship Delivery

The expert panel set out their advice as a basis for establishing the costs of a model 'of effective delivery. *This is not intended to be a ‘recipe’ that providers should follow.*

<table>
<thead>
<tr>
<th>Activity</th>
<th>Panel Advice 2006</th>
<th>Notes and Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned Time to Complete</td>
<td>24 months</td>
<td>Estimated time for effective delivery based on provider interviews and LSC data</td>
</tr>
<tr>
<td>Group based knowledge and skills</td>
<td>270 hours</td>
<td>Based on a on year day release programme of 36 weeks of 7.5 hours per day with some time allocated to group based key skills sessions</td>
</tr>
<tr>
<td>Work based knowledge and skills</td>
<td>3.0 days</td>
<td>A programme of regular visits to the work place with time allocated across knowledge and skills development and work based observation and assessment</td>
</tr>
<tr>
<td>NVQ assessment and support</td>
<td>6.0 days</td>
<td>Lead internal verifier time per learner for joint assessor visits, portfolio sampling and moderation meetings and activities</td>
</tr>
<tr>
<td>NVQ quality assurance</td>
<td>3.5 days</td>
<td></td>
</tr>
<tr>
<td>Group based key skills</td>
<td>60 hours</td>
<td>Group based delivery of key skills as part of the day release programme</td>
</tr>
<tr>
<td>Work based key skills</td>
<td>0 days</td>
<td></td>
</tr>
<tr>
<td>Regular review</td>
<td>2.0 days</td>
<td>Delivered as part of the programme of work based visits by assessors with at least 8 regular review sessions of ¼ per review.</td>
</tr>
<tr>
<td>Learner support</td>
<td>1.5 days</td>
<td></td>
</tr>
<tr>
<td>Entry activities 1:1</td>
<td>1.5 days</td>
<td>An entry programme: an interview (1/2 day), assessment (1/2 day) and a work based induction (1/2 day) all 1:1 time with an assessor</td>
</tr>
<tr>
<td>Group based induction</td>
<td>42 hours</td>
<td>As part of the initial group based sessions</td>
</tr>
<tr>
<td>Registration Certification</td>
<td>£ 241</td>
<td>Based on costs of NVQ, Technical Certificate, Key Skills and sector body certificate</td>
</tr>
</tbody>
</table>

**Note:** The allocated time for work based assessor activity is equivalent to a *full-time* assessor caseload of 1:32 with separate staff responsible for entry activities.
Activity Costs for Advanced Apprenticeship Delivery

The activity costs model has been set up to compare the LSC funding in 2005/06 to the reported activity levels with the following costs assumptions:

- Group based classroom activity weighted at factor C

- Assessor employment costs weighted at factor A based on independent research on salary rates and employment costs

- Registration and Certification costs of £241 based on information collected from awarding bodies

The model includes a factor for success rates and this is based on the reported 2004/05 success rates of 21% uplifted to a minimum level of 50% to reflect improvements in success rates by 2007/08.

The activity costs emerging from the review were:

![Current Funding and Activity Costs](chart)

This suggests that activity costs for *effective delivery* above the current rates based on a planned time to complete of around 24 months. The activity costs are also above the current LSC funding before any assumed employer contribution.

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3 This is based on the LSC programme weighting factors for guided learning hours

4 A separate report on employment costs provides more details of the bands and methodology used to map sectors to employment bands
Moderation and LSC Data Modelling

The LSC has established a moderation group with representation from the Association of Learning Providers to review panel advice and activity costs.

The advice from the Habia expert panel was reviewed at the moderation meeting in December 2005.

Apprenticeship

The moderation group discussed the report and advice from the Habia expert panel and took the view that the activity costs model should be amended to reflect:

- A reduction of 100 hours for group based delivery of knowledge and skills
- A reduction of 4.5 days for work based activity to reflect the assessment and support that takes place on group based sessions
- A reduction of 1.5 days in the time allocated for internal verification to reflect the emerging norms across the apprenticeship sector

The impact of the moderation advice is to increase full-time assessor caseloads to around 1:40

The impact of the moderation advice on activity costs was:

![Current Funding and Activity Costs](image)

This suggests activity costs slightly above the current funding rates.
Funding Rates for NVQs and Apprenticeships

Advanced Apprenticeship

The moderation group discussed the report and advice from the Habia expert panel and took the view that the activity costs model should amended to reflect

- A reduction of 4.0 days for work based activity to reflect the assessment and support that takes place on group based sessions
- A reduction of 1.5 days in the time allocated for internal verification to reflect the emerging norms across the apprenticeship sector

The impact of the moderation advice is to increase full-time assessor caseloads to around 1:40. The impact of the moderation advice on activity costs was:

This suggests activity costs below the current funding rates.

Funding Rate Changes

The LSC is implementing changes to the funding rates based on the review and the advice on activity levels and activity costs and the decisions of the moderation group. The changes are:

**Apprenticeship**

- No change to the NVQ2 rate

**Advanced Apprenticeship**

- A reduction of 12% to the NVQ3 rate phased in over 2 years

Further details are available in the LSC publication Requirements for Funding Work-based Learning for Young People 2006/07
Funding Profile

There is a DfES policy that employers should make a contribution to the costs of delivery for learners over the age of 19. This is implemented through the LSC funding rates by a reduction in the 19+ rate based on an assumed contribution.

The funding profile on the activity costs graphs sets out the sector based proportions of LSC funding and assumed employer contribution using:

- LSC data on age at entry
- LSC funding rates for 16-18 and 19+ learners

This is included for information and does not impact on the activity costs although it will impact on how providers recover the funding for the activities they deliver.

Caseloads, Visits and Days of 1:1 time

The activity costs model uses days of 1:1 time to include the costs of assessor time in the work place. A daily rate is calculated by taking the annual employment costs and dividing this by an assumed 200 days of work place visit time for a full-time assessor.

Where an assessor has a caseload of 1:25 learners an assessor will allocate an average of 200/25 = 8 days of 1:1 time in the work place per year for each learner. For a programme planned to take 15 months this would mean 10 days of 1:1 time over the duration of the programme.

This time may be apportioned across:

- Knowledge and skills development
- Observation and assessment
- Regular review
- Learner support and advice

The activity costs model includes days for each of these activities and the costs of these days are included at the daily rate.

These days of support may be delivered through a programme of regular visits seeing 2 to 3 learners per day - on average. So over a 15 month programme 10 days could be delivered as:

- 20 visits (every 3 weeks) seeing an average of 2 learners per day
- 30 visits (every 2 weeks) seeing an average of 3 learners per day