328 Vehicle Maintenance & Repair - Final Report on Review

This paper sets out a summary of the findings of the review of delivery models, activity levels and activity costs for the Vehicle Maintenance & Repair 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. Framework 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 Vehicle Maintenance & Repair 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.
LSC Data

Numbers in Learning

<table>
<thead>
<tr>
<th></th>
<th>Starts (October 2005)</th>
<th>In Learning (October 2005)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>16 - 19</td>
<td>19+</td>
</tr>
<tr>
<td>Apprenticeship</td>
<td>88%</td>
<td>12%</td>
</tr>
<tr>
<td>Advanced</td>
<td>90%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: ILR 2004/2005

Success Rates

<table>
<thead>
<tr>
<th></th>
<th>Framework</th>
<th>NVQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apprenticeship</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Advanced</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: ILR 2005/2006

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>10.0</td>
<td>24.0</td>
<td>27.2</td>
</tr>
<tr>
<td>Advanced</td>
<td>15.9</td>
<td>33.7</td>
<td>32.2</td>
</tr>
</tbody>
</table>

Source: ILR 2004/2005 Period 12 and LSC Data

Note: The Numbers in Learning and Success Rates are based on the new sector code 328 for Vehicle Maintenance and Repair. The data on length of stay is based on historic data for the previous code 235 and on delivery of the previous framework standards.

Provider Interviews

A sample of effective providers was identified in discussion with Automotive Skills.

These providers were interviewed in October 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

Automotive Skills convened an expert panel with representatives from:

- Automotive Skills
- Adult Learning Inspectorate
- Awarding bodies
- A provider nominated by the Association of Learning Providers
- Independent providers
- An FE College
- Learning and Skills Development Agency
- Learning and Skills Council
- The consultant to the project

Expert Panel Meeting and Advice

The panel met on 16 November 2005 and reviewed the data and evidence from the LSC and provider surveys.

The panel discussed issues around models of delivery and activity levels and established provisional advice.

Apprenticeship Pathways and Framework 4

The panel noted that Automotive Skills Apprenticeship Framework 4 was implemented from the beginning of September 2005 and that this would have a significant impact on provider models of delivery, learner pathways and activity levels.

The panel agreed that currently there was limited evidence available on the impact of Framework 4 and the approaches that providers would take. The panel also agreed that it was essential that advice to the LSC on activity levels should be based around Framework 4 models.

The panel noted that the work on activity levels for current models of delivery would provide a useful starting point to review Framework 4 activity levels.

Gathering Further Data and Evidence

Automotive Skills suggested that a survey with providers should be carried out on their approaches to Framework 4 delivery to inform and guide the work of the Expert Panel.
Panel Advice and Further Panel Meetings

The panel agreed to document their advice on apprenticeship and advanced apprenticeship activity levels as a basis for informing further work of the expert panel.

Automotive Skills agreed to reconvene an expert panel meeting in January 2006 to:

- Review the evidence emerging from the survey of providers on Framework 4 delivery
- Receive an update on the evidence emerging from the costs study for the motor vehicle sector
- Review the activity costs model for the current advice on apprenticeship and advanced apprenticeship delivery
- Review the estimates of marketing and employer engagement costs shared by providers
- Finalise the advice to the LSC on activity levels for Framework 4 delivery

Automotive Skills Survey with Providers

A briefing note and questionnaire was sent to providers to gather data and evidence on models or delivery and activity and planned time to complete for delivery of the new framework 4 standards.

Second Expert Panel Meeting

The panel reconvened on 26 January 2006 to review the new data and evidence on provider plans for delivery of the new framework 4 standards.

Apprenticeship Pathways

The panel noted the analysis of the Automotive Skills survey of providers on the implementation of Framework 4. This analysis indicated that:

- All providers in the survey would follow a pathway starting with an apprenticeship programme and progressing to an advanced apprenticeship programme
- About 30% of learners were expected to complete an apprenticeship without progression with the remaining 70% of learners forecast to progress to an advanced apprenticeship programme
- Providers in the survey estimated 24 months for the apprenticeship programme followed by 24 months for the advanced apprenticeship

The panel used this evidence to formulate advice on activity levels for effective delivery.
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 of framework 4 based on provider interviews and LSC data</td>
</tr>
<tr>
<td>Group based knowledge and skills</td>
<td>460 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>8.0 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>2.0 days</td>
<td>Group based delivery of key skills as part of the day release programme</td>
</tr>
<tr>
<td>Group based key skills</td>
<td>90 hours</td>
<td></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>2.0 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>15 hours</td>
<td>As part of the initial group based sessions</td>
</tr>
<tr>
<td>Registration Certification</td>
<td>£ 254</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 1:30 with separate staff responsible for entry activities. This is in addition to time allocated in group-based sessions for observation and review.
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 workshop activity weighted at factor C¹
- Assessor employment costs weighted at factor D² based on independent research on salary rates and employments costs
- Registration and Certification costs of £ 254 based on information collected from awarding bodies

The model includes a factor for success rates and this is based on the reported 2004/05 sector success rates 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](image)

This suggests that activity costs for effective delivery are above the current funding rates based on panel advice on activity levels for framework 4 standards.

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.*

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<tr>
<th>Activity</th>
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<th>Notes and Comments</th>
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<tbody>
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<td>24 months</td>
<td>Estimated time for effective delivery of framework 4 based on provider interviews and LSC data</td>
</tr>
<tr>
<td>Group based knowledge and skills</td>
<td>460 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>8.0 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>2.0 days</td>
<td>Lead internal verifier time per learner for joint assessor visits, portfolio sampling and moderation meetings and activities</td>
</tr>
<tr>
<td>Group based key skills</td>
<td>90 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>2.0 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>7 hours</td>
<td>As part of the initial group based sessions</td>
</tr>
<tr>
<td>Registration Certification</td>
<td>£ 220</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 1:30 with separate staff responsible for entry activities. This is in addition to time allocated in group-based sessions for observation and review.
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 C³
- Assessor employment costs weighted at factor D⁴ based on independent research on salary rates and employments costs
- Registration and Certification costs of £ 220 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 43% uplifted to a minimum level of 53% 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 above the significantly below the current rates based on a planned time to complete of around 24 months and delivery of a 24 month programme as a progression from an apprenticeship programme.

These activity costs are very close to the activity costs for the 2 year apprenticeship phase

Current rates are likely to reflect the previous option for direct entry to an advanced apprenticeship programme.

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
Funding Rates for NVQs and Apprenticeships

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 Automotive Skills expert panel was reviewed at the moderation meeting in January 2006.

Apprenticeship

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

- A reduction of 2.5 days for work based activity to reflect the observation and review that takes place on group based sessions

The impact of the moderation advice is to increase full-time assessor caseloads to around 1:35.

The impact of the moderation advice on activity costs was:

This suggests activity costs slightly above the current funding rates.

Advanced Apprenticeship

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

- A reduction of 4.0 days for work based activity to reflect the observation and review that takes place in group based sessions and to reflect the age
profile of learners and their experience in the work place,

- A reduction of 0.5 days in the time for internal verification consistent with the reduction in work based assessment time

- A reduction of 0.5 days in the time for regular review and a reduction of 0.5 days in the time for learner support based on the age profile of learners and their experience in the work place

The impact of the moderation advice is to increase full-time assessor caseloads to around 1:44. The impact of the moderation advice on activity costs was:

![Current Funding and Activity Costs](chart)

This suggests activity costs significantly below the current funding rates and panel advice.

**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**

- An increase of 2% to the NVQ 2 rate implemented over 2 years

- This is equivalent to a 4% reduction in the overall framework funding rate consistent with the moderated advice

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5 Further details are available in the LSC publication *Requirements for Funding Work-based Learning for Young People 2006/07*
Funding Rates for NVQs and Apprenticeships

**Advanced Apprenticeship**

- A reduction of 65% to the NVQ 3 rate phased in over 2 years

- This is equivalent to a 45% reduction in the overall framework funding rate consistent with the moderated advice

**Related Frameworks**

The following related frameworks were changed as a result of this review.

- 235 Retail Motor Vehicle
- 329 Roadside Assistance and Recovery
- 330 Vehicle Body and Paint Operations
- 327 Vehicle Fitting
- 331 Vehicle Parts Operations
Funding Rates for NVQs and Apprenticeships

ANNEX A

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