

To all colleges and training organisations:

14 December 2010

Dear Colleague,

Re: 2010/11 Quarter 1 Performance

As you will be aware, we have recently completed our Quarter 1 performance review. I thought it would be helpful to update you on the outcomes of that, as well as to share our overall analysis of performance to date.

The most recent [Statistical First Release](#) published earlier this month confirmed another record breaking year in 2009/10 for Apprenticeships delivery, both in terms of the volumes of individuals starting Apprenticeships and those completing their programme successfully. And we can now see encouraging results for the first quarter of 2010/11, including an increased number of Apprenticeship starts, with numbers up overall by 32% compared with 2009/10.

This good news comes despite the challenging economic climate and is a real success story for the sector. It is a good record of the strong focus which colleges and providers have on Apprenticeships and is testament to a lot of hard work across the sector.

However, despite this encouraging performance, we estimate that we are slightly below the trajectory to achieve the additional 50,000 Apprenticeships this year. We always knew that this was a big shift for colleges and training organisations to make in such a short time, and it may be that the shift from Train to Gain into Apprenticeships delivery will accelerate over the coming months. If that is so then we should start to see evidence of it in the next few weeks; if it is not then we all need to take stock and review what we can do to hit the trajectory.

As a result of the Quarter 1 performance review we have taken out £22m of under-performance in 16-18 Apprenticeships which we will use to fund all of the evidenced growth requests for 16-18 delivery.

For 19+ Employer Responsive provision (including Train to Gain) we have removed £20m. This will be used to fund all of the evidenced requests for growth of approximately £22m.

Skills Funding Agency

The barrier, therefore, to hitting the 50,000 additional starts does not appear to be funding because we were able to accommodate all of the evidenced requests for increases to contracts. We are working internally with the colleagues in the National Apprenticeship Service to see what more we can do to support a further increase in starts; we would welcome feedback from you on what more we can to help.

I would also welcome feedback on the new approach to performance management we used this quarter. From our perspective it worked well, but it is important that you can feedback as well. We will evaluate the new process we have to ensure we continue to improve the way in which we work with you. In the meantime, if you have any comments on the process, please send them to julie.bury@skillsfundingagency.bis.gov.uk

Yours sincerely

A handwritten signature in black ink that reads "David Hughes". The signature is written in a cursive style with a large, prominent 'D' and 'H'.

David Hughes
National Director of College and Provider Services

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