



**York Consulting**

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**DEPARTMENT FOR EDUCATION AND SKILLS  
/ UNIVERSITY OF LEEDS**

**14-19 PATHFINDER COSTING STUDY  
– FINAL REPORT**

**September 2005**

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# 14-19 PATHFINDER COSTING STUDY

## FINAL REPORT

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## Section One: Introduction

1. This report presents the key findings of a costing study focused on the 14-19 Pathfinders. The purpose of the study was to **establish the costs associated with collaborative development and delivery of 14-19 Pathfinders**, and in particular:
  - the **costs that arise as a result of working collaboratively** rather than individually, for example, partnership management, communication, timetabling costs;
  - specific **development and delivery costs for new collaborative programmes and provision**, including for example, course development costs, teaching costs and support costs.
2. The research has been undertaken in two broad phases of work. **Phase One** involved case study work with 15 Pathfinders to **gain an understanding of**:
  - the **types of cost** that might occur in the delivery of collaborative working;
  - for each type of cost, **estimates of the actual costs incurred by the 15 pathfinders**;
  - the **factors that influence** the level of cost incurred.
3. **Phase Two** has involved an analysis of the information obtained from the 15 Pathfinders in order to provide:
  - **indicative estimates** of the likely costs associated with **collaborative working**;
  - **case study examples** of the costs associated with the **development and delivery of collaborative provision**;
  - **qualitative analysis** of key issues and findings in relation to the costs of developing and sustaining collaborative delivery of 14-19 learning opportunities.
4. This is the first time that a detailed costing study of collaborative working has been undertaken. As a result, the findings provide **new and important information about the types of cost, influencing factors and likely cost levels** associated with collaborative delivery. This can be used to inform future decision making, particularly in relation to the development of plans to meet the objectives and proposals set out in the 14-19 White Paper and subsequent Green Paper 'Youth Matters'.

### Interpretation Issues

5. The depth of analysis and conclusions that can be drawn from the data collated are limited by:
  - a) the **wide-ranging scope, variability and complexity** of collaborative activities being undertaken by the Pathfinders; and
  - b) the **different ways in which costs have been estimated and presented** across the 15 Pathfinders involved.
6. As a result of these factors:
  - **we provide indicative estimates for the likely average costs of generic collaborative working** (i.e. partnership management, administration etc), though these are not the absolute answer to the question of the “cost” of collaborative working;
  - it **has not** been possible to establish **indicative estimates of the costs for the development and delivery of collaborative provision**, and case study examples have been used to present likely costs which apply to a particular set of circumstances in the Pathfinder areas concerned.
7. The models and costs presented therefore **do not represent an “optimum” model of cost and delivery**. It is also important to recognise that it was **not possible to take account of the quality or success of working collaboratively** and so costs may be higher or lower, depending on how they are affected by this.

### Structure of Report

8. The findings of the study are summarised below and outlined in more detail in the Final Report, as follows:
  - Costs of Generic Collaborative Working (Section Two);
  - Costs of the Development of Collaborative Provision (Section Three);
  - Costs of the Delivery of Collaborative Provision (Section Four);
  - Conclusions and Implications of the Research (Section Five).

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## Section Two: Costs of Generic Collaborative Working

9. The actual annual cost estimates provided by the 15 pathfinders for generic collaborative working vary from **£61,832 to £832,300**. The **key factors which appear to influence this variability** include:
- size of the pathfinder (e.g. number of partners, number of young people);
  - scale of activities (e.g. number of courses offered, number of development activities involved in);
  - scope of activities (e.g. the range of stakeholders who need to be involved);
  - culture of the Pathfinder and its approach to collaborative working;
  - current skills and capabilities of the Pathfinder partners.
10. **Size of the pathfinder is the most significant variability factor** for the costs of management and communication, administration, the organisation of work experience, transport coordination and the provision of Information, Advice and Guidance (IAG). A mix of the other factors appear to be more of an influence in the case of monitoring and evaluation, consulting/engaging others, and e-learning and ICT developments.
11. Taking the most significant variability factor of size in order to **model some indicative costs results in estimates of £198,000 for a small partnership** (1 college, 8 schools, 1,400 young people), **£312,000 for an average partnership** (3 colleges, 18 schools, 3,800 young people) **and £476,000 for a large partnership** (7 colleges, 27 schools, 7,100 young people).
12. Within these overall costs for collaborative working, the **types of ‘generic’ cost which are incurred (and the average cost or cost range associated with them)** are:
- management and communication (£62,560 for a small partnership to £238,930 for a large partnership);
  - administration (£32,350 to £62,428);
  - monitoring and evaluation (£16,900);
  - consulting/engaging others (£4,140);
  - engaging employers (varies dependent on nature of activities – e.g. £7,000 for a survey of local employers);
  - work experience / placement coordination (£14,850 to £29,700);
  - staff development (varies dependent on nature of activities – e.g. £165 per staff member per session);
  - transport coordination (£0 to £12,790);

- e-learning and ICT (£4,075);
- IAG (£62,750).

13. Whilst these costs are presented in relation to the most significant variability factor of size, it must be borne in mind that the **range of other variability factors will also impact on actual costs occurred in specific contexts.**

### **Start Up Costs**

14. Whilst the generic collaborative working costs presented above are represented as annual costs, depending on the stage of collaborative working reached by an individual Pathfinder, **some of them could be considered, over time, to be one-off set-up costs.** As the collaborative working arrangements mature some rationalisation of costs may be achieved, for example in relation to transport coordination. Initial high costs of transport coordination may facilitate the development of a long-term strategy which requires less input over time.

15. However, the nature of collaborative working is such that **many of the annual costs** will need to be sustained on an ongoing basis and therefore **are additional on an annual basis over time.**

16. In addition, Pathfinders did identify some **specific start up costs** which can be considered as initial development costs only as opposed to ongoing annual costs. These include:

- costs associated with **facilitating/developing partnership**, for example, engaging relevant partners (e.g. employer business breakfasts) and the development of a joint prospectus (£7,000 to £15,580). The history of partnership working in the area needs to be considered as this will determine the level of input required;
- costs associated with **initiating development activities**, for example, developing e-learning capabilities (e.g. employing personnel at £57,243) or staff training for new courses or programmes (e.g. induction training for an applied GCSE at £2,250).

### **Section Three: Costs of Development of Collaborative Provision**

17. The **types of collaborative provision that we have considered** in this study include:

- vocational provision;
- other extended provision (e.g. citizenship activities);
- programmes designed to address skills shortages;
- enterprise learning;

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- innovative approaches (which includes much of the provision developed by Pathfinders);
  - targeting specific groups of learners (including variations in the pace of learning and provision for young people with Special Educational Needs or those who are disengaged).
18. The **key types of cost that are being incurred for the development of collaborative provision** include:
- developing learning materials;
  - curriculum planning;
  - development of new programmes/courses.
19. Across the 15 pathfinders and the types of collaborative provision outlined in paragraph 17, the **cost estimates provided vary considerably**. **Factors influencing them** include:
- the number of staff involved;
  - the nature of the provision being set up;
  - whether a course is new or they are simply seeking accreditation;
  - the availability of 'in-kind' support from employers;
  - the use of staff internal to the Pathfinder, or use of external consultancy support.
20. Bearing these variability factors in mind, **some case study examples of the levels of cost being incurred** across the 15 pathfinders include:
- **developing learning materials** – e.g. vocational, enterprise, specialised materials for young people with SEN, ranging from £560 to £113,390;
  - **curriculum planning** – e.g. joint timetabling (£1,500 to £100,000), curriculum design and development (£2,514 to £242,250);
  - **development of new programmes:**
    - **vocational** – development of course content (£1,000 to £10,000);
    - **other extended curriculum** - £2,000 (development of a citizenship course) to £4,000 (a music coordinator);
    - **skills shortages** - £3,500 to £7,500;
    - **enterprise learning** – e.g. engaging employers (£770), consultancy support from employers (£10,000);
    - **targeting specific groups of learners** – set up of AS-level fast-tracking (£3,000), set up of a programme for disaffected young people (two staff at £53,760).

## Section Four: Costs of Delivery of Collaborative Provision

21. The study considered the **delivery costs of collaborative provision for the same types of provision as those outlined in paragraph 17** for the development of collaborative provision.
22. The **key types of cost that are being incurred for the delivery** of collaborative provision include:
- transport;
  - teaching/delivery costs;
  - work experience/placements;
  - support costs.
23. Across the 15 pathfinders and the types of collaborative provision, the **cost estimates provided vary considerable**. Factors influencing them include:
- number of young people;
  - number of weeks;
  - number of teaching groups;
  - distance travelled to provision;
  - mode of transport;
  - nature of the course;
  - requirement for additional support (e.g. mentor or learning support assistant);
  - location of study;
  - type of facilities required;
  - specialist resources and equipment required.
24. Bearing these variability factors in mind, **some case study examples of the levels of cost being incurred** across the 15 Pathfinders include:
- **transport:** the mean cost per person for weekly travel to provision is £3.20, and the cost of a 'round trip' varies from £0.30 to £6.30 with the minibus the cheapest option, on average, at £1.22 per person per round trip;
  - **teaching/delivery costs:**
    - **vocational** – teaching costs range from £29 per hour to £65 per hour, with an average of £44 per hour. Per hour costs are higher for courses such as Engineering and lower for courses such as Performing Arts;
    - **other extended curriculum** – e.g. a key skills course at £600 per person;
    - **skills shortages** – broadly similar to those of vocational provision (e.g. £44 per hour);
    - **enterprise learning** – e.g. Young Enterprise programme at £4,800;

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- **targeting specific groups of learners** – e.g. taster programmes aimed at gifted and talented young people (£15 to £243 per person) and young people with SEN (£180 to £1,142 per person);
  - **work experience/placements:**
    - **vocational** – the cost per person per work experience / placement unit ranges from £50 to £975 with variation due to factors such as location and length of placement;
    - **targeting specific groups of learners** – e.g. motor vehicle placements for young people with SEN at £1,142 per person for three half-days;
  - **support costs:**
    - **vocational** – support costs may include overheads (e.g. college facilities at £12 per day), capital investment (e.g. CAD/CAM software at £50,000), consumables for particular courses (ranging from £70 to £95 per person), assessment/moderation and recruitment;
    - **targeting specific groups of learners** – e.g. an additional staff member to attend offsite provision alongside young people with SEN at £14,000 p.a.
25. The **Increased Flexibility Programme (IFP) costing study** which York Consulting Limited undertook from 2002 to 2004 also provides an **estimate of the total costs of delivery for vocational delivery in particular**. For example, the average costs identified based on different models and options of students, teaching groups, models of delivery etc. are:
- Applied GCSE Health & Social Care - £1,377 - £1,716;
  - Engineering NVQ - £2,123 to £2,755.

### Cost Efficiencies

26. Throughout the analysis we have sought to identify additional costs, however, in most cases the **cost of delivering collaborative provision is presented as the 'total cost' as opposed to the true additional cost**. Going forward, **the question of whether there are any 'cost savings' associated with delivering collaborative provision** is important. That is, could core funding cover, at least in part, the delivery of collaborative provision, given that in participating in this new provision, pupils are not undertaking other learning at school for which they would otherwise participate and for which the schools obtain core funding through the age weighted pupil unit (AWPU).
27. It is not possible for us to definitively answer this question given the range of different types of collaborative provision which mean that cost-savings will vary considerably depending on the model. In a **number of cases additional programmes/courses have been offered to young people in addition to their core curriculum** so there will be no cost saving to their home institution. In other cases, whilst there may be

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**marginal cost savings they are offset by the additional costs** of delivering collaborative provision such as **transport and specialist equipment**.

28. Knowsley Pathfinder has considered charging structures for its collaborative provision. For the first two years of the Pathfinder, Pathfinder funds paid for the full cost of collaborative provision. In year 3, however, schools contributed £200 per pupil and there are plans to increase this proportion over time. However, **Knowsley have estimated that even if schools contributed the full AWPU** or a proportion there would still be a **funding gap of 30% for full out of school provision for students at risk of exclusion, and 20% to 25% for students on a one day per week college course**.

### **Transport versus e-Learning**

29. The transport of young people to offsite provision presents a number of challenges to both those individuals who are involved in the organisation of it, and the young people who spend time travelling between locations. A solution to this may be to deliver courses via e-learning so that providers are still able to collaborate but that, in these instances, young people are not required to travel.

30. In theory, this seems like it could be a practical solution, should it alleviate problems associated with transporting young people and reduce the associated costs, however, consideration should be given to the type of circumstances where e-learning may be an appropriate substitute. The purpose of collaborative delivery is to ensure a wider curriculum offering to young people by making efficient use of resources and facilities so that young people can access courses not currently offered at their home centre, or so that feasible group sizes can be established for delivery.

31. In the case of vocational provision, **the experience to be gained from undertaking a course in a college with excellent vocational facilities, or at a work based learning provider cannot be easily replicated via e-learning**. Similarly there are circumstances where e-learning is the most appropriate option and hence the cost saving of transport, or greater costs of e-learning, should not be the key consideration.

32. The types of costs that should be compared when considering the use of transport versus e-learning may include:

- transport;
- facilities (in multiple locations for e-learning);
- teaching staff (in multiple locations for e-learning);
- ICT facilities (particularly for e-learning).

## **Section Five: Conclusions and Implications of the Research**

### **Additional Costs of Collaborative Working**

33. Collaborative working has facilitated the development and delivery of new courses and programmes, which enhance the learning experience for young people, and by their

very nature are costly. As such, there will **always be additional costs due to the nature of what collaboration provision is seeking to achieve**. These include:

- a) **Generic collaborative working:** There are some clear start-up costs associated with developing collaborative arrangements across 14-19 learning providers and stakeholders. Some of these are short term and others are presented as annual costs, but could be considered more medium term development costs which may be reduced or rationalised over time. Over and above this, there will always be additional annual costs associated with the management and administration of collaborative arrangements;
- b) **Development of new programmes:** There are additional costs associated with the development of new programmes/provision. Again, these may be considered as one-off development costs which do not need to be sustained over time. However, the nature of the work that Pathfinders are seeking to achieve and the ongoing development required to meet the objectives of the 14-19 White Paper – *“to create a system better tailored to the needs of the individual pupil...introduce greater choice of what and where to study and make it easier to combine academic and vocational learning.....[and] ...make the full range of choices available to young people.....”* - means that the cost of ongoing development of new programmes needs to be considered;
- c) **Delivery of collaborative provision:** Over time we may expect cost efficiencies from the delivery of collaborative provision, given that such provision might substitute for provision as part of the core curriculum provided in home institution (and therefore could be funded through core AWPU funding). However, the nature of the provision and offer provided means that there will always be some additional costs (i.e. over and above core funding as it stands), such as:
  - transport, additional student support, specialist equipment and facilities;
  - provision which is “additional” to the core offer, e.g. out of hours taster programmes;
  - where pupil numbers are small the way in which AWPU works is such that schools/home institution costs for delivering core provision to the remaining group of pupils will still need to be incurred.

34. The notion of working collaboratively to manage processes and deliver provision to young people is relatively new and hence **the most cost effective ways of managing the processes are still under development**. The Pathfinders have undertaken a range of different approaches to collaborative working, with some relying more heavily on costly, external support to develop the relevant capabilities, whilst others are able to source support from within the Pathfinder.

35. **At this stage cost efficiency is minimal**, since many cost savings are offset by additional costs such as transport and specialist equipment required for the courses undertaken. Over time, cost efficiencies may be developed, though the focus should remain on real partnership working and widening opportunities for all young people.

36. Some fee structures have been set in place, which although they do not cover the total cost of delivery, encourage partners to take responsibility for funding of activities.

### **Cost Levels**

37. Collaborative working is a **complex and costly task**, as highlighted by the range of types of costs that should be considered, the factors which influence these costs, and the logistical challenges the Pathfinders face such as the coordination of learner transport.
38. There is **no one model which can represent the costs to a Pathfinder of collaborative working**, due to the complex nature of the environment within which they operate. A whole range of factors influence the total costs of collaborative working, including the cultures within the Pathfinders, the geographical setting, the learners, and the Pathfinder targets. As such, there is **no one total cost of collaborative working**.

### **Funding**

39. Funding has played four important roles in collaboration:
- to kickstart collaborative working;
  - to manage ongoing collaboration;
  - to develop innovative approaches to collaborative working;
  - to develop and deliver a broader curriculum through collaborative practices.
40. Pathfinder funding has enabled areas to develop innovative approaches to collaborative working and expand their curriculum offer. However, they are currently reliant on various uncertain funding streams – **sustainability must be addressed** to ensure the work can continue.

### **Sustainability**

41. The combination of funding streams, and in particular, the boost of funding through 14-19 Pathfinders, has enabled the case study areas to develop innovative approaches to collaborative working and to expand the curriculum offer available to young people.
42. In an environment where **funding sources are uncertain**, it is important that consideration is given to **how these activities can be sustained**. Throughout the analysis of costs provided in the Technical Report, issues of sustainability have been raised, with some specific examples of approaches that can be adopted to ensure that particular activities can continue, with less, or even without funding.
43. There are a number of ways in which Pathfinders can continue to support the activities they are involved in. These include:
- **use of multiple funding streams** - this is an option, but creates uncertainty and does not always account for future planning;

- the **transfer of costs to the individual partners**, for example, by partners contributing a set amount to various activities the Pathfinder supports;
- by **rationalising the activity** – this could be rationalisation of management structures or rationalisation of the curriculum offer;
- by **seeking and developing more cost efficient ways** of managing collaborative working.

### Implications

44. This study has raised a number of implications which should be considered within the context of the implementation of policy objectives outlined in the 14-19 White Paper and subsequent Green Paper “Youth Matters”:

- **the findings presented in this report are ‘indicative’** – they do not provide the absolute cost of collaborative working but can be used as a guide/support for future decision making and any further work;
- **collaborative working is costly**, and due to the nature of what it is trying to achieve **there will always be some additional costs**;
- the **uncertainty of funding sources** and dependence of Pathfinders on multiple funding streams may be hindering future planning – in order to address sustainability, funding needs to support collaborative working directly, rather than by implication through multiple funding streams;
- the evidence collected, and analysis presented, provides a **clear basis from which funding models and mechanisms can be developed** which incorporate, support and encourage issues associated with:
  - the cost of collaborative working in different partnership settings, including different sizes of partnerships, as well as other variability factors;
  - further cost efficiencies that could be gained within these contexts. The Pathfinders have demonstrated a **number of innovative activities and approaches to collaborative working**. A further focus may be on encouraging them to **develop cost efficient models of partnership working, and development and delivery of provision**, that could be adopted by other areas;
  - the potential for further charging structures. As yet, **charging structures** have not been formalised between partners, and have not been a focus in the majority of cases. **Further detailed work may provide insight** into how this can be managed.



## 1 INTRODUCTION AND METHODOLOGY

- 1.1 This report presents the key findings of a costing study focused on the 14-19 Pathfinders. The detailed analysis is provided in a Technical Report, from which these key findings have been drawn.

### Purpose of the Study

- 1.2 The purpose of the study was to **establish the costs associated with collaborative development and delivery of 14-19 Pathfinders**, and in particular:
- the **costs that arise as a result of working collaboratively** rather than individually, for example, partnership management, communication, timetabling costs;
  - specific **development and delivery costs for new programmes and provision**, including for example, course development costs, teaching costs, support costs.

### Study Approach

- 1.3 The research has been undertaken in two broad phases of work. **Phase One** involved case study work with 15 Pathfinders to **gain an understanding** of:
- the **types of costs** that might occur in the delivery of collaborative working;
  - for each type of cost, **estimates of the actual costs incurred by the 15 Pathfinders**; and
  - the **factors that might influence** the level of cost incurred.
- 1.4 **Phase Two** has involved an analysis of the information obtained from the 15 Pathfinders in order to provide:

- **indicative estimates** of the likely costs associated with **collaborative working**;
- **case study examples** of the costs associated with the **development and delivery of collaborative provision**;
- **qualitative analysis** of key issues and findings in relation to the costs of developing and sustaining collaborative delivery of 14-19 learning opportunities.

1.5 The following **core themes** were identified:

- **collaborative working**;
- **Information, Advice and Guidance (IAG)**;
- **Quality Assurance (QA) frameworks**;
- **broader curriculum**, including:
  - vocational provision;
  - other extended curriculum;
  - skills shortages;
  - enterprise learning;
  - innovative approaches;
- **targeting a range of learners**:
  - provision aimed at specific groups of young people, e.g. gifted and talented, disengaged/disaffected young people;
  - variations in the pace of learning;
- **progression** – 14-19 and 19+.

1.6 In addition **cross-cutting themes** of particular interest were identified as:

- staff development;
  - employer engagement;
  - Individual Learning Plans (ILPs);
  - developing learning materials;
  - transport;
  - e-learning and ICT.
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- 1.7 Whilst the primary objective of the selection of Pathfinders was to address the themes identified, the Pathfinders selected are also **representative in terms of key contextual characteristics**, such as the size of the Pathfinder and age focus.

### Data Limitations and Interpretation Issues

- 1.8 The depth of analysis and conclusions that can be drawn from the data collated are limited by:

- the **wide-ranging scope, variability and complexity** of collaborative activities being undertaken by the Pathfinders; and
- the **different ways in which costs have been estimated and presented** across the 15 Pathfinders involved. In particular there is variance in whether Pathfinders have provided:
  - actual costs, estimates of cost or budget allocations;
  - overall costs for generic areas of activity, or broken down into specific sub-categories of activity;
  - the unit of cost provided, for example per hour, per student, or per school;
  - sufficient information about characteristics of programmes of delivery, in terms of (for example) pupil numbers, number of schools involved, hours of delivery.

- 1.9 As a result of these factors:

- **we provide indicative estimates for the likely average costs of generic collaborative working** (i.e. partnership management, administration etc.), though these are not the absolute answer to the question of the “cost” of collaborative working;
- it **has not** been possible to establish **indicative estimates of the costs for the development and delivery of collaborative provision**, and therefore case study examples have been used to present likely costs in a particular set of circumstances in the Pathfinder areas concerned.

- 1.10 The models and costs presented **do not represent an “optimum” model of cost and delivery** as it was **not possible, to take account of the quality or success of working collaboratively** and so costs may be higher or lower, depending on how they are affected by this.
- 1.11 Despite the limitations of the analysis, this is the first time that a detailed costing study of collaborative working has been undertaken. As a result, the findings provide **new and important information about the types of cost, influencing factors and likely cost levels** associated with collaborative delivery. This can be used to inform future decision making, particularly in relation to the development of plans to meet the objectives and proposals set out in the 14-19 White Paper and subsequent Green Paper ‘Youth Matters’.

### Key Characteristics of the Case Studies

- 1.12 Key characteristics of the case studies are:
- the **majority are Phase 1** Pathfinders (all but three);
  - the **LEA is the lead partner in the majority of cases** (nine Pathfinders). Other lead partners include schools (two), the Local LSC (two), Learning Partnership (one), Council (one), a private training provider (one)<sup>1</sup>;
  - the **number of students ranges from 120 to 15,000**, with an average of 4,570 per Pathfinder (including any outliers);
  - the **number of school partners ranges from five to 45**, with an average of 19 per Pathfinder (including any outliers);
  - the **number of college partners ranges from zero to 10**, with an average of three per Pathfinder (including any outliers);
  - a **range of other partners** are involved in the Pathfinder including employers, training providers, Connexions, other LEA representatives, Higher Education Institutions (HEIs), Pupil Referral Units (PRUs), amongst others;

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<sup>1</sup> Note: one Pathfinder has two lead partners.

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- the Pathfinders cover a range of **rural, urban, suburban and inner city settings**;
- a number of Pathfinders **face issues associated with deprivation**.

### ‘Basic’ Pathfinder Models

1.13 Based on the characteristics of the Pathfinder case studies, three basic models have been developed which are used to represent how costs of collaborative working can vary across a range of settings. The data limitations set out suggest that there is too much variation in the structures, focus and activities of the Pathfinders, to provide costs associated with “a Pathfinder”, and since the scope of Pathfinders cannot easily be measured, the three models that we present are **based on the size of the Pathfinder only**. A small, medium and large Pathfinder have been identified, as exhibited in **Table 1.1** below.

<b>Table 1.1: Average Models</b>			
	<b>Small</b>	<b>Average (medium)</b>	<b>Large</b>
Lead partner(s):	1	1	1
School partners:	8	18	27
College partners:	1	3	7
Other partners:	2	5	10
No. of young people:	1,400	3,800	7,100

1.14 These are the three basic models that will be used to present costs of individual activities, but **do not reflect the complexity of the models of delivery** on the ground, which also vary due to the culture of the Pathfinder and local circumstances amongst other factors.

1.15 Care should be taken when referring to the number of young people who have benefited from the Pathfinder, because the averages shown above may be skewed by:

- those Pathfinders which include all 14-19 year olds within the geographical area the Pathfinder covers; and
- those Pathfinders which target activities at only certain groups of young people.

1.16 Linked to this, the size of a school partner can vary greatly and will have consequences on the overall numbers of young people. Nevertheless, the numbers shown in Table 3.1 above give a broad indication of the likely number of young people there may be in each model.

1.17 As highlighted earlier, there are a **number of factors other than the size of a Pathfinder that will affect the costs of activities**. For example, the costs for two Pathfinders, both classified as “medium” in the models set out, will not be the same. However, the models presented provide a framework within which to set the costs and gain further understanding of variations.

1.18 The remainder of the report is structured around the three main types of costs, as follows:

- **Section 2** presents the general costs associated with **collaborative working**, including **start-up costs** associated with facilitating collaborative working and initiating development activities;
- **Section 3** presents the **developmental costs** i.e. the costs of developing new programmes and broadening the curriculum;
- **Section 4** presents the costs of **delivering provision** collaboratively.

1.19 Finally, **Section 5** summarises the **qualitative issues** raised through the study and presents the **conclusions and future implications** of the study.

## 2 GENERIC COLLABORATIVE WORKING

### Ongoing Costs of Collaborative Working

Taking the most significant variability factor of size in order to **model some indicative costs results in estimates of £198,000 for a small partnership** (1 college, 8 schools), **£312,000 for an average partnership** (3 colleges, 18 schools) **and £476,000 for a large partnership** (7 colleges, 27 schools).

The **key factors which also influence the variability** include:

- size of the Pathfinder (e.g. number of partners, number of young people);
- scale of activities (e.g. number of courses offered, number of development activities involved in);
- scope of activities (e.g. the range of stakeholders who need to be involved);
- culture of the Pathfinder and its approach to collaborative working;
- current skills and capabilities of the Pathfinder partners.

**Size of the Pathfinder is the most significant variability factor** for the costs of management and communication, administration, the organisation of work experience, transport coordination and the provision of Information, Advice and Guidance (IAG). A mix of the other factors appear to be more of an influence in the case of monitoring and evaluation, consulting/engaging others, and e-learning and ICT developments.

### Start-up Costs

The nature of collaborative working is such that **many of the annual costs** will need to be sustained over time and will therefore be **additional on an ongoing, annual basis**. In addition, Pathfinders did identify some **specific start up costs** which can be considered as initial development costs only as opposed to ongoing annual costs. These include:

- costs associated with **facilitating/developing partnership working**, for example, engaging relevant partners (e.g. employer business breakfasts) and the development of a joint prospectus (£7,000 to £15,580);
- costs associated with **initiating development activities**, for example, developing e-learning capabilities (e.g. employing personnel at £57,240) or staff training for new courses or programmes (e.g. induction training for an applied GCSE at £2,250).

## Introduction

2.1 This section presents:

- the types of **costs associated with collaborative working** along with indicative costs (where possible) and variability factors, based around the three basic models described in **Section 1**;
- a summary of the types of costs incurred through **starting up various collaborative activities**, using case study examples to present likely cost levels.

## Costs of Collaborative Working

2.2 An **indicative range** of costs for collaborative working is **£198,000 to £476,000**. The **key factors which appear to influence this variability** include:

- size of the Pathfinder (e.g. number of partners, no. of young people);
- scale of activities (e.g. number of courses offered, number of development activities involved in);
- scope of activities (e.g. range of stakeholders who need to be involved);
- culture of the Pathfinder and its approach to collaborative working;
- current skills and capabilities of the Pathfinder partners.

2.3 The costs of collaborative activities have been presented within the framework of the three 'basic models' developed, to aid understanding of **how costs may vary by the size of the Pathfinder**. The estimates developed are:

- £198,000 for a small partnership (1 college, 8 schools);
- £312,000 for average partnership (3 colleges, 18 schools);
- £476,000 for a large partnership (7 colleges, 27 schools).

- 2.4 The models presented are basic models (i.e. vary only by size and do not include the costs associated with the development and delivery of provision). However, they allow us to draw simple conclusions about what the likely annual costs of collaborative working might be. The actual cost depends on a range of other factors, already described, such as local circumstances and the culture of the Pathfinder.
- 2.5 **Size of the Pathfinder is the most significant variability factor** for the costs of management and communication, administration, the organisation of work experience, transport coordination and the provision of Information, Advice and Guidance (IAG). A mix of the other factors appear to be more of an influence in the case of monitoring and evaluation, consulting/engaging others, and e-learning and ICT developments.
- 2.6 These models present indicative annual costs, where available, for each of the key collaborative activities identified through the analysis. In the vast majority of cases, each Pathfinder did not provide a cost for all categories and therefore these models present a more inclusive picture than evidence suggests in practice. Those categories for which the majority of Pathfinders (i.e. eight or more) provided cost information are:
- strategic group;
  - Pathfinder manager/coordinator;
  - administrator;
  - one-off external evaluation;
  - consulting/engaging others;
  - work experience/placement coordinator;
  - ongoing annual development of ILPs.
- 2.7 Furthermore, the approach by the Pathfinders to establishing costs associated with collaborative activities suggests that they have not always been able to identify costs for all activities, not because they are not involved in such activities but because the costs are included within other all-encompassing costs.

2.8 It is also worth considering sustainability of these activities and changes over time which may influence ongoing annual costs. For example, the costs of strategic and operational groups have been included for completeness; however, these costs may not be truly additional if attendance at the groups is included within an individual's job role. Over time, however, the overall impact of additional meetings must be reviewed as this may result in the requirement for additional staff to manage workloads.

### Cost Types

2.9 **Table 2.2** (at the end of this section) summarises the indicative costs associated with collaborative working.

2.10 Detailed analysis and further examples of costs can be found in Sections 4 and 5 of the Technical Report, including the basis on which the indicative costs have been developed.

2.11 The types of cost that should be considered are:

- **management and communication** – management and communication is key to facilitating collaborative working through setting in place reporting and communication structures and bringing together the necessary people to make things happen. Management and communication structures may include:
  - strategic and operational groups;
  - other groups e.g. exam officers, finance officers;
  - manager/lead posts e.g. a Pathfinder manager/coordinator;
- **administration** – collaborative working constitutes a separate entity which will require administration support in terms of overheads for key personnel involved and support from a designated administrator:
  - administrative overheads;
  - administrator role;

- travel and subsistence support (for Pathfinder manager/coordinator);
- **monitoring and evaluation** – in order to measure the effectiveness of collaborative structures in meeting the needs of the local area, the young people targeted and government priorities, some form of ongoing monitoring and evaluation activity is important;
- **consulting/engaging young people and others** – this includes awareness-raising activities to engage stakeholders such as parents/carers, employers and other potential partners, as well as consulting young people to ensure that the provision offered meets their needs;
- **employer engagement** – the increased emphasis on vocational provision and equipping young people with the skills required for later life means that engaging employers in key activities, and providing appropriate and high quality work experience for young people, is important. Collaborative employer engagement activities may include:
  - engaging employers e.g. awareness-raising;
  - work experience/placement organisation;
  - other employer involvement e.g. staff training;
- **staff development** – a fundamental part of collaborative working is the sharing of good practice and expertise. For this to happen, staff development must take place on a collaborative basis. In addition, the expansion of provision may also require additional training for staff:
  - specific training e.g. for new courses/programmes;
  - teacher networks;
  - general staff training;
  - attendance at conferences.

### **Actual Costs**

2.12 **Table 2.3** (at the end of this section) presents a breakdown of the actual costs as provided by the case studies, prior to any analysis and therefore:

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- the costs presented are subject to the different approaches taken by the case studies as set out in **Section 1**;
- the 'total' represents the total of the three categories set out in the table (i.e. not the total of all costs provided by the case studies);
- due to classification of categories, the costs presented may be subject to some double-counting, for example, staff training for IAG activities may be included within both the staff development theme and the IAG theme.

2.13 A review of the actual costs provided by the Pathfinder case studies suggests that:

- broadly speaking **the greater the size of a Pathfinder, the greater the costs of partnership working**;
- the **costs of Pathfinder-wide staff development and IAG activities do not appear to increase with the size of the Pathfinder**, though this could be related to the number of Pathfinders for which these were key objectives, and the availability of associated cost information;
- the **total costs of collaborative working support our assertion that the variation in costs is not only related to the size of a Pathfinder**, since there are Pathfinders with costs larger than the average for a 'large' Pathfinder within the 'small' and 'medium' classifications.

2.14 After undertaking an in-depth analysis of the cost information provided by the Pathfinder case studies, our summary costing models developed remain broadly similar to the actual costs as provided by the Pathfinders, as presented in **Table 2.1**.

**Table 2.1: Indicative costs v. actual costs  
(annual)**

	<i>Indicative costs</i>	<i>Actual costs</i>	<i>Variation</i>
Small	£197,625	£245,360	81%
Average (medium)	£311,933	£343,128	91%
Large	£475,563	£422,966	112%

2.15 On the basis of our analysis, and a review of the actual costs we can conclude that:

- the **costs of collaborative working do vary by size of Pathfinder** (i.e. no. of partners etc.) and that the larger a Pathfinder, the more costly collaborative working is;
- the indicative models presented are **within 12% of the actual costs** provided by the Pathfinders;
- **the indicative model that most closely matches the actual costs is the “average” model<sup>2</sup>**;
- the annual costs of collaborative working are likely to lie between £197,625 to £475,563 in the majority of cases, depending on the size of the Pathfinder and many other factors.

2.16 Although we have not included specific costs for employer engagement and staff development activities, inclusion of these costs may actually bring our model closer in line with the actual costs. This also supports our observation of the different approaches taken by the case studies, who, although, may not have identified all the categories of costs as included in our indicative models, have included the costs within other categories.

## Start-up Costs

2.17 The cost categories associated with starting up various collaborative activities are presented in **Tables 2.4** and **2.5** (at the end of this section) categorised by two different types of start-up<sup>3</sup>:

<sup>2</sup> This may be because this represents the costs of the largest proportion of case studies and is therefore a more reliable sample.

- costs associated with starting up **generic collaborative activities** e.g. partnership facilitation and support activities;
- costs associated with **initiating development activities** e.g. the set up of new courses/programmes.

### **Kickstarting collaborative working**

2.18 The costs of starting up collaborative activity **mostly relate to engaging the relevant partners**, including those who may be able to provide support for specific areas of provision. Starting up collaborative activity may also include **putting in place structures and agreements for how partners will work collaboratively**, such as the central coordination of transport and work placements.

2.19 The actual cost of these activities **depends on the extent of collaborative working that may already be underway** and/or the **existing capabilities of the key partners**. These factors will determine the extent to which collaboration must be kickstarted, and the extent to which particular capabilities must be developed. Case study examples have been provided to give examples of the types of activities that may be necessary to bring together the appropriate people and resources.

2.20 Furthermore, the extent of collaboration an area aims for will be dependent on local circumstances, with some areas starting off by collaborating on only support structures whereas others may be quicker at becoming involved in collaborative delivery of a range of provision. These will require differing management and communication structures, and differing levels of commitment from key partners.

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<sup>3</sup> This section does not include the costs of developing a broader curriculum, which are also mostly start-up costs. These are included under “developing a broader curriculum”.

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2.21 Evidence gathered from the case studies highlights that **collaborative working is not something that can be kickstarted in a short period of time**. Many of the Pathfinders have spent a number of years building up capacity and capability to work together, including the necessary support structures, and are continuing to develop more effective ways of working collaboratively. Consequently, although all of the above have been classified as start-up costs they will not necessarily be incurred in the first year of collaborative working.

### **Initiating development activities**

2.22 Critical to the longer term development of collaborative working are many of the **innovative development activities** that Pathfinders have been involved in. The range of activities undertaken by the Pathfinders highlights that they are not operating within a static environment. External factors can have a huge influence on how they operate and how they can provide the best opportunities for young people. As such, it is particularly important to highlight that beyond kickstarting collaborative working through partnership facilitation etc., there is **considerable value in initiating other development activities**, such as the development of partnership-wide ILPs and e-learning capabilities.

2.23 There is huge variance in the activities that may be undertaken, however case study examples have been used to highlight the types of activities that may be undertaken. The cost of initiating development activities will vary depending on the type of activity and who may be involved. As with the costs of kickstarting collaborative activity, these **costs are not likely to be incurred in the first year of collaborating**, rather, resource should be set aside for such activities in the following years. These activities are important to the future development of the sector and good practice should be shared with other areas.

**Table 2.2: Collaborative working: Indicative costs**

<i>Type of cost</i>	<i>Basic Models</i>			<i>Variability factors</i>
	<i>Small</i>	<i>Average (medium)</i>	<i>Large</i>	
<b>management and communication:</b> <ul style="list-style-type: none"> <li>▪ strategic group;</li> <li>▪ operational group;</li> <li>▪ other groups;</li> <li>▪ Pathfinder coordinator/manager;</li> <li>▪ additional coordination support;</li> </ul>	£62,560	£134,270	£238,930	No. of partners Remit of operational/strategic groups Frequency and length of management meetings Whether one person or a group are responsible for overall management
<b>administration:</b> <ul style="list-style-type: none"> <li>▪ administrative overheads;</li> <li>▪ administrator;</li> <li>▪ travel &amp; subsistence support costs;</li> </ul>	£32,350	£47,308	£62,428	Level of support required How costs are accounted for Size of Pathfinder and scale of activity
<b>monitoring and evaluation:</b> <ul style="list-style-type: none"> <li>▪ one-off external evaluation;</li> </ul>	£16,900	£16,900	£16,900	Internal or external Frequency of evaluation Purpose of monitoring and evaluating
<b>consulting/engaging others:</b> <ul style="list-style-type: none"> <li>▪ awareness-raising activities;</li> </ul>	£4,140	£4,140	£4,140	Current levels of engagement of key stakeholders Nature of activities taken to engage others Extent to which other Pathfinder activities can sustain engagement over time
<b>employer engagement (general):</b> <ul style="list-style-type: none"> <li>▪ engaging employers;</li> </ul>	case study example: <ul style="list-style-type: none"> <li>▪ survey of local employers £7,000 for 2,140</li> </ul>			Nature of activity No. of employers involved

Table 2.2: Collaborative working: Indicative costs

Table 2.2: Collaborative working: Indicative costs				
Type of cost	Basic Models			Variability factors
	Small	Average (medium)	Large	
	questionnaires <ul style="list-style-type: none"> <li>▪ employer forums (employer time not costed)</li> </ul>			“In-kind” employer time
<b>employer engagement:</b> <ul style="list-style-type: none"> <li>▪ work experience / placement coordinator;</li> </ul>	£14,850	£29,700	£29,700	No. of young people undertaking work experience Whether the role also includes engaging employers
<b>staff development</b>	£165 per staff member per session £180 staff supply cover  case study examples: <ul style="list-style-type: none"> <li>▪ £3,250 per conference (general conference)</li> <li>▪ £1,400 for a 7-day course (e.g. IAG)</li> <li>▪ £150 per school (web-based activity)</li> <li>▪ £10,520 teacher network</li> </ul>			No. of staff Focus of training Extent to which training takes place collaboratively Extent to which training takes place informally Use of external or internal trainers No. of teacher networks No. of conferences hosting/attending Use of trained staff to disseminate to others rather than training everyone
<b>transport:</b> <ul style="list-style-type: none"> <li>▪ transport coordination;</li> </ul>	£0	£12,790	£12,790	Extent to which transport is managed collaboratively No. of learners requiring transport

**Table 2.2: Collaborative working: Indicative costs**

<i>Type of cost</i>	<i>Basic Models</i>			<i>Variability factors</i>
	<i>Small</i>	<i>Average (medium)</i>	<i>Large</i>	
				No. of staff requiring transport Local circumstances e.g. rural Size of Pathfinder
<b>e-learning and ICT (excluding delivery via e-learning):</b> <ul style="list-style-type: none"> <li>▪ ongoing maintenance of a website;</li> </ul>	£4,075	£4,075	£4,075	Extent to which e-learning is adopted Set up of a Pathfinder-wide website Current skills of staff Facilities already available
<b>IAG:</b> <ul style="list-style-type: none"> <li>▪ ongoing annual development of ILPs;</li> <li>▪ careers coordinator;</li> </ul>	£62,750	£62,750	£106,600	Range of activities Scope of activities Existing capabilities Use of internal or external support Range of learners targeted and supported
<b>TOTAL</b>	<b>£197,625</b>	<b>£311,933</b>	<b>£475,563</b>	

<b>Table 2.3: Actual Annual Costs</b>				
	Partnership Working	Staff Development	IAG	Total
<b>Small</b>				
1	£255,406	£89,200	£11,180	£355,786
2	£62,400	£15,000	£29,000	£106,400
3	£46,132	£26,573	£15,850	£88,555
4	£340,000	£90,000	£700	£430,700
<b>Minimum</b>	<b>£46,132</b>	<b>£15,000</b>	<b>£700</b>	<b>£61,832</b>
<b>Maximum</b>	<b>£340,000</b>	<b>£90,000</b>	<b>£29,000</b>	<b>£430,700</b>
<b>Average</b>	<b>£175,985</b>	<b>£55,193</b>	<b>£14,183</b>	<b>£245,360</b>
<b>Medium</b>				
5	£242,489	£5,756	£91,140	£339,385
6	£123,439	£14,556	£77,278	£215,273
7	£410,800	£58,000	£25,260	£494,060
8	£363,672	£22,000	£50,000	£435,672
9	£208,000	£79,000	£0	£287,000
10	£244,381	£37,000	£6,000	£287,381
<b>Minimum</b>	<b>£123,439</b>	<b>£5,756</b>	<b>£0</b>	<b>£215,273</b>
<b>Maximum</b>	<b>£410,800</b>	<b>£79,000</b>	<b>£91,140</b>	<b>£494,060</b>
<b>Average</b>	<b>£265,464</b>	<b>£36,052</b>	<b>£41,613</b>	<b>£343,128</b>
<b>Large</b>				
11	£185,432	£32,200	£0	£217,632
12	£677,000	£22,000	£133,300	£832,300
13	£265,755	£33,695	£47,550	£347,000
14	£445,000	0	0	£445,000
15	£266,900	0	£6,000	£272,900
<b>Minimum</b>	<b>£185,432</b>	<b>£0</b>	<b>£0</b>	<b>£217,632</b>
<b>Maximum</b>	<b>£677,000</b>	<b>£33,695</b>	<b>£133,300</b>	<b>£832,300</b>
<b>Average</b>	<b>£368,017</b>	<b>£17,579</b>	<b>£37,370</b>	<b>£422,966</b>

<b>Table 2.4: Start-Up Costs: Kickstarting Collaborative Working</b>	
<i>Cost category</i>	<i>Cost/examples</i>
<b>KICKSTARTING COLLABORATIVE WORKING</b>	
Management and communication	
- partnership facilitation	
Monitoring and evaluation	
- internal/external evaluation	e.g. one-off external evaluation = £16,905 (NB unlikely to occur in Year 1)
Consulting/engaging others	
- awareness-raising	e.g. marketing & promotional materials = £4,140
Employer engagement	
- engaging employers	e.g. business breakfast = £10,000
- work experience / placement organisation	e.g. full-time work experience/coordinator = £29,700
Staff development	
- teacher networks (to instigate collaborative staff development activities)	e.g. £10,520
IAG (cross-partnership frameworks)	
- joint prospectus	£7,000 to £15,580
Transport	
- central coordination (to develop a systematic approach)	£2,300 to £35,000, average = £12,990
ICT	
- purchase of hardware/software	average = £19,670

**Table 2.5: Start-Up Costs: Initiating Development Activity**

<i>Cost category</i>	<i>Cost/examples</i>
<b>INITIATING DEVELOPMENT ACTIVITY</b>	
<b>Staff development</b>	
- specific training – for new courses/ programmes, offsite guidance	e.g. induction training for applied engineering GCSE = £2,250 (supply cover for 15 attendees)
<b>IAG</b>	
- specific development activities	e.g. ILPs = £45,340 (small/medium Pathfinder), £68,910 (large) (includes staff time, staff training, licence fees, consultancy)
- interactive and web-based careers advice	e.g. web-based tool providing careers information = £50,000
<b>E-learning</b>	
- developing e-learning capabilities	e.g. employing personnel, average = £57,243 p.a.
- website	average = £8,250
- interactive facilities	e.g. VLE = £34,060 (average)

### 3 DEVELOPMENT OF COLLABORATIVE PROVISION

The **key types of cost that are being incurred for the development of collaborative provision** include:

- developing learning materials;
- curriculum planning;
- development of new programmes/courses.

Across the 15 Pathfinders and the types of collaborative provision (e.g. vocational, enterprise learning), the **cost estimates provided vary considerably**. **Factors influencing them** include:

- the number of staff involved;
- the nature of the provision being set up;
- whether a course is new or accreditation is simply being sought;
- the availability of 'in-kind' support from employers;
- the use of staff internal to the Pathfinder, or use of external consultancy support.

Bearing these variability factors in mind, **some case study examples of the levels of cost being incurred** across the 15 Pathfinders include:

- **developing learning materials** – e.g. vocational, enterprise, specialised materials for young people with SEN, ranging from £560 to £113,390;
- **curriculum planning** – e.g. joint timetabling (£1,500 to £100,000), curriculum design and development (£2,514 to £242,250);
- **development of new programmes:**
  - **vocational** – development of course content (£1,000 to £10,000);
  - **other extended curriculum** - £2,000 (development of a citizenship course) to £4,000 (a music coordinator);
  - **skills shortages** - £3,500 to £7,500;
  - **enterprise learning** – e.g. engaging employers (£770), consultancy support from employers (£10,000);
- **targeting specific groups of learners** – set up of AS-level fast-tracking (£3,000), set up of a programmes for disaffected young people (two staff at £53,760).

## Introduction

- 3.1 The Pathfinders have been **engaged in developing a broader curriculum** across a range of themes of provision, including vocational, enterprise learning, skills shortages, targeting a range of learners and other extended curriculum activity.
- 3.2 The key activities associated with developing a broader curriculum, as identified through the analysis of cost information provided, are:
- developing learning materials;
  - curriculum planning;
  - development of new programmes/courses;
  - development of vocational course content;
  - development of other extended curriculum;
  - development of programmes/courses addressing skills shortages;
  - development of enterprise learning.
- 3.3 The development costs presented summarise the types of activities undertaken to **support the development of new courses/programmes, and learning materials, across a range of provision aimed at extending opportunities for young people**. The vast majority of these are **start-up costs**, though, as with the costs associated with initiating development activities described in Section 2, they will not always be incurred in the first year of collaborative working.
- 3.4 The variation in activity, as highlighted in **Section 1**, limits the development of indicative costs for each category. Instead, case study examples have been used to present the types of activities that may be undertaken and their associated costs.

## Key findings

- 3.5 The design and set up of a broader curriculum requires **considerable resource to ensure that the curriculum meets the needs of those young people it is targeted at**. Undertaking such activities collaboratively requires additional resource and adds complexity to ensure that the provision is available to all young people and that the staff and resources required for design and development are available at the right time and in the right place.

- 3.6 Across the range of collaborative provision developed there are some key activities which are most commonly undertaken. These include the development of learning materials, curriculum planning and the development of specific courses/programmes. Many of these are specific to the particular provision being developed and hence the costs vary across the case studies and according to the type of provision.
- 3.7 **The most costly development activities appear to be where employers have been involved (at a cost rather than 'in-kind') and where staff have been seconded to undertake development activities.** Although this is costly, and may not be an option for all provision due to cost limitations, it may be necessary for certain types of provision, such as those targeting specific groups of learners, and those associated with enterprise learning or addressing skills shortages, where specialist expertise is required.
- 3.8 In contrast, the costs of developing courses can be as little as £3,000, for example, for the set up vocational programmes and course modules. This may be a key benefit of collaborative activity as courses can be developed through a partnership and make use of the expertise of existing staff, such as college staff, rather than seeking costly support from outside the Pathfinder.
- 3.9 There are a range of other factors which affect the total cost of developing the curriculum, such as:
- number of staff involved;
  - nature of the courses being set up;
  - whether the course is new to the Pathfinder or whether they are simply seeking accreditation;
  - availability of 'in-kind' support from employers;
  - use of staff internal to the Pathfinder versus the use of external consultancy support.

3.10 The total cost to a Pathfinder will be dependent on the extent of the provision being developed. The majority of costs have been presented as one-off costs, however, in reality, a Pathfinder may be involved in different development activity each year and thus incur development costs year on year. The sustainability of such activity is an issue, as the focus should be on delivering a choice of provision to young people in the most cost effective manner. These Pathfinders show considerable evidence of good practice in this area, and over time, the costs should decrease as areas are able to share what they have developed with others.

### Development costs

3.11 **Table 3.1** (at the end of this section) summarises the costs associated with the development of collaborative provision. As a result of the data limitations set out in Section 1, case study examples have been used to indicate likely costs of the activities as set out; however, many of these costs are dependent on local circumstances and will vary from Pathfinder to Pathfinder. The variability factors give an indication of the types of factors that will affect the total cost.

3.12 Detailed analysis and further examples of costs associated with developing a broader curriculum can be found in **Section 7** of the Technical Report.

3.13 The types of costs that should be considered are:

- **developing learning materials** – learning materials have been developed to make use of ICT and e-learning developments for particular courses, e.g. vocational, enterprise, and specialised materials for young people with SEN. The costs range from £560 to £113,390, with an average of £27,950;
- **curriculum planning** – curriculum planning is important to ensure that the curriculum meets the needs of the young people, local circumstances and national objectives:
  - **joint timetabling** – this has not been wholly taken on board by the Pathfinders, and as yet, the use of ‘block’ timetabling is more popular. As a result there is huge variation in the costs, depending on the approach taken, ranging from £1,500 to £100,000 start-up;

- **curriculum design and development** – Pathfinders have undertaken a range of approaches to collaborative curriculum design and development. Some have organised one-off events, such as planning days, whilst others have organised ongoing activity such as curriculum manager/partner meetings, with costs ranging from £2,514 to £242,250.
- **development of new programmes/courses** – the average cost for the development of a new programme/course is £3,500 though the costs, as provided by the case studies, range from £900 to £58,500 depending on the number of courses being set up and the nature of the provision;

### vocational provision:

- **development of course content** – costs range from £1,000 to £10,000 depending on whether it is the content for an entire course, or for units/part of a course;

### other extended curriculum:

- **development of programmes** – costs provided range from £2,000 p.a. (development of a citizenship course) to £4,000 p.a. (a music development coordinator);

### skills shortages:

- **development of courses** – there is little variation in the costs provided, ranging from £3,500 to £7,500, (as well as time provided ‘in-kind’ by employers), though there is huge variance in the activities undertaken. The involvement of key sector stakeholders, including employers, is important, though the costs of this support can vary depending on whether time is provided ‘in-kind’ or whether consultancy costs must be paid;
- **marketing** – marketing activities may be undertaken to engage key partners in the design and development of the programmes, e.g. production of flyers (£700);

enterprise learning:

- **development of courses/programmes** – the development of enterprise learning curriculum has mostly involved the development of enterprise learning capabilities. Costs have been provided for activities to engage employers (£770) and consultancy support from employers (£10,000);

targeting a range of learners:

- **development of courses/programmes** - costs provided range from £3,000 (AS-level fast tracking) to £53,760 (for two staff to set up a programme for disaffected young people).

**Table 3.1: Development of a broader curriculum**

<i>Cost categories</i>	<i>Activities and case study examples</i>	<i>Cost</i>	<i>Variability Factors</i>
<b>Broader curriculum – general</b>			
<b>developing learning materials</b>	modern foreign languages, enterprise learning, vocational programmes, SEN young people	£560 - £113,390	Scope of development Nature of materials People involved Internal or use of external consultants
<b>curriculum planning</b>	<b>joint timetabling</b>		Block timetabling versus Pathfinder-wide timetabling No. of partners Range of provision
	e.g. timetable planning day	£19,000	
	e.g. common block timetabling through a website	£1,500	
	e.g. piloting an approach through trial of two clusters of three schools	£100,000	
	<b>curriculum design and development</b>		Use of dedicated staff versus use of partnership groups Size and scope of Pathfinder Aims and objectives of Pathfinder
	one-off events e.g. curriculum enterprise day	£2,910	
	curriculum managers / partners planning meetings e.g. three lead practitioners to lead collaborative development in three subject areas	£30,000	
	partnership group	£30,000 p.a.	
<b>development of new</b>		indicative cost =	No. of programmes developed

**Table 3.1: Development of a broader curriculum**

<i>Cost categories</i>	<i>Activities and case study examples</i>	<i>Cost</i>	<i>Variability Factors</i>
<b>programmes/courses</b>		£3,500 per programme	Nature of programmes No. of staff involved Whether it is a programme new to the Pathfinder or simply seeking accreditation
Vocational			
<b>developing course content</b>	set up of vocational programmes e.g. vocational taster programmes	£3,600	No. of programmes developed Nature of programmes
	development of course modules e.g. accredited modules for off-site delivery in employer premises	£3,000	No. of staff involved Internal versus external development support
Other extended curriculum			
<b>coordination</b>	e.g. cross partnership music development coordinator	£4,000 p.a.	No. of staff involved Requirement for dedicated staff Nature of provision
<b>development of new programmes/courses</b>	e.g. design and development of citizenship course	£2,000	No. of programmes developed Nature of programmes No. of staff involved Whether it is a programme new to the Pathfinder or seeking accreditation
Skills shortages			
<b>development of courses</b>	course development e.g. junior apprenticeship course	£7,500	No. of courses developed Nature of courses

**Table 3.1: Development of a broader curriculum**

<i>Cost categories</i>	<i>Activities and case study examples</i>	<i>Cost</i>	<i>Variability Factors</i>
	pilot work e.g. key skills development work	£3,500	No. of staff involved Internal versus external development support
	quality assurance e.g. quality assurance by an employer	£7,500	
	engaging employers e.g. production of flyers	£700	Range of partners to engage Method of marketing
<b>Enterprise learning</b>			
<b>employer engagement</b>	consultancy e.g. to develop a recording framework for enterprise learning	£10,000	Nature of activity No. of employers involved “In-kind” employer time
	awareness-raising e.g. conference with key stakeholders	£770	
<b>Targeting a range of learners</b>			
<b>staff development</b>	staff training	£2,000	No. of staff Focus of training Extent to which training takes place collaboratively Extent to which training takes place informally Use of external or internal trainers No. of teacher networks No. of conferences hosting/attending

**Table 3.1: Development of a broader curriculum**

<i>Cost categories</i>	<i>Activities and case study examples</i>	<i>Cost</i>	<i>Variability Factors</i>
			Use of trained staff to disseminate to others rather than training everyone
<b>development of new programmes/courses</b>	e.g. secondments to set up programme	£53,760	No. of programmes developed Nature of programmes No. of staff involved Whether it is a programme new to the Pathfinder or seeking accreditation
<b>curriculum planning</b>	e.g. planning timetable and progression routes across 8 schools	£4,800	Use of dedicated staff v. use of partnership groups Size and scope of Pathfinder Aims and objectives of Pathfinder

## 4 DELIVERY OF COLLABORATIVE PROVISION

The **key types of cost that are being incurred for the delivery** of collaborative provision include:

- transport;
- teaching/delivery costs;
- work experience/placements;
- support costs.

Across the 15 Pathfinders and the types of collaborative provision, the **cost estimates provided vary considerable**. Factors influencing them include:

- number of young people;
- number of weeks;
- number of teaching groups;
- distance travelled to provision;
- mode of transport;
- nature of the course;
- requirement for additional support (e.g. mentor or learning support assistant);
- location of study;
- type of facilities required;
- specialist resources and equipment required.

### Introduction

4.1 The Pathfinders have been engaged in delivering a broader curriculum across a range of themes of provision, including vocational, enterprise learning, skills shortages, targeting a range of learners, other extended curriculum and progression.

4.2 The **key types of cost that are being incurred for the delivery** of collaborative provision include:

- transport;
- teaching/delivery costs;
- work experience/placements;
- support costs.

- 4.3 Across the 15 Pathfinders and the types of collaborative provision, the **cost estimates provided vary considerable**. Factors influencing them include:
- number of young people;
  - number of weeks;
  - number of teaching groups;
  - distance travelled to provision;
  - mode of transport;
  - nature of the course;
  - requirement for additional support (e.g. mentor or learning support assistant);
  - location of study;
  - type of facilities required;
  - specialist resources and equipment required.
- 4.4 The nature of the type of curriculum that is being delivered is such that the **majority of provision is aimed at enriching the learning experience of young people**. Many of the courses, programmes and other activities such as one-off events are often put on 'out of hours' or young people undertake the activity in addition to their mainstream learning. For this reason (and other reasons discussed below) it is **difficult to identify any marginal cost savings to the home centres**.
- 4.5 Throughout the analysis we have **sought to identify additional costs**, however **in most cases the cost of delivering collaborative provision is presented as the 'total cost' as opposed to the true additional cost**. As things stand, this total cost could be considered to be additional since it is, in most cases, funded through specific additional pots of money such as pathfinder or IFP. However, these additional pots of money could also be considered as 'development funds'.
- 4.6 This study does however enable a comparison of the costs of delivering vocational courses to 14-16 year olds with the costs of other more specialist provision or provision for particular groups of young people.

## Key Findings

- 4.7 The provision delivered **offers young people many opportunities that have not previously existed**. This includes, for example, wider availability of vocational experience, and provision targeted at specific groups of young people such as those not taught in mainstream education. The nature of this provision has implications for the cost to the Pathfinders of providing these opportunities. For example, the Pathfinder must fund young people to attend courses that are supplementary to their traditional curriculum, arrange the logistics of provision that take place 'offsite' and provide additional support where required. This may be appropriate for those young people with SEN.
- 4.8 The cost of delivering vocational courses collaboratively have been explored in detail through the Increased Flexibility for 14-16 Year Olds, Cohort 2 Study (YCL 2004). Therefore a set of indicative costs associated with the elements that make up delivery of vocational courses for 14-16 year olds already exists (see Appendix A). The estimated teaching cost per hour of £44 is broadly in line with the IFP teaching cost per hour of £41 for GCSE provision and £51 for NVQ provision.
- 4.9 The baseline teaching/delivery costs, for example, teaching costs per hour, may be **broadly similar for all types of vocational provision**, including, those targeting disengaged young people and courses addressing skills shortages. However, there are **additional factors** which will affect the total cost and cost per person, such as:
- smaller group sizes may be more appropriate for young people with SEN or those who are disengaged/disaffected. This will increase the unit costs per person;
  - work experience for particular groups of young people such as those with SEN or those who are disengaged may require more resource to set up, or may require additional offsite support from teaching staff or learner support assistants;
  - specialist resources and equipment may be required for young people with SEN (no specific costs have been provided);

- additional student support is required for certain groups of young people. This may include support off-site or may simply be supervision during travel. Additional teaching support may also be required when working with certain groups of young people (e.g. an additional staff member at offsite provision could cost £14,000 p.a.).

4.10 Other key findings will be discussed below under:

- fee structures and the purchase of places;
- transport;
- transport versus e-learning.

### **Fee structures and the purchase of places**

4.11 When thinking of the question of sustainability, we should consider whether, going forward, there are any ‘cost savings’ associated with the collaborative provision. That is, **could core funding cover, at least in part, the delivery of collaborative provision, given that in participating in this new provision, pupils are not undertaking other learning at school for which they would otherwise participate and for which schools obtain core funding through the age weighted pupil unit (AWPU).**

4.12 It is not possible for us to definitively answer this question given that:

- in most instances, Pathfinders are at the development stage, so no charging is considered, and many Pathfinders have not considered the funding/costing/charging question to this level of detail;
- the considerable range of different types of collaborative provision means that any cost-savings will vary considerably depending on the model:
  - in a number of cases, additional programmes/courses that have been offered to young people are **in addition to their core curriculum** and therefore in these cases there will be no cost savings to their home institution if they are taken out of class, or attend twilight provision;
  - any **marginal cost savings** that do occur, will, in many cases, be **offset by additional costs** associated with off-site, sometimes vocational, provision such as transport and equipment.

4.13 Knowsley Pathfinder has considered charging structures for its collaborative provision and we provide details in the case study example below. In considering this, it is important to recognise that the Knowsley model is, relatively, one of the more straightforward ones, and it may therefore be an easier task to establish some additional cost estimates.

***Knowsley***

*For the first two years of the Pathfinder, Pathfinder funds paid for the full cost of collaborative provision. In year 3, schools contributed £200 per pupil and there are plans to increase this proportion over time.*

*Knowsley have estimated that if schools contribute the full AWPU or a proportion there is a funding gap of:*

- *30% for full out of school provision for students at risk of exclusion;*
- *20% to 25% for students on a one day per week college course (depending on the type of course).*

4.14 There is the potential to undertake more focused work with Pathfinders to help them address this question of using core funding to support, at least in part, new collaborative provision. Such work, however, would need to recognise that there is always likely to be a funding gap associated with collaborative delivery due to the nature of the provision itself and this will vary considerably depending on models of delivery and area characteristics.

4.15 One method through which some case studies have managed partnership working within their Pathfinder is through agreeing fee structures between partners. These fee structures may apply to particular courses, whereby the home centre is charged a set amount per hour or per annum, per person, for that young person to attend the course. In the majority of cases where this exists this is not thought to cover the total cost of delivery but encourages each partner to take some responsibility for the funding of the activities.

4.16 Examples of this activity suggest that these Pathfinders have taken into consideration the costs to each partner of broadening the curriculum offer and enabling young people to attend courses offsite. It also suggests that they have some understanding of what makes up the costs, and how these can be managed between partners.

## Transport

- 4.17 It has been challenging to provide an indicative cost of transport for young people accessing off-site provision. The analysis of the data provided is limited by the data limitations (as set out in Section 1). In particular, the provision of transport for differing numbers of young people travelling different distances, using various modes of transport, means that we are unable to make effective comparisons of like with like.
- 4.18 Nevertheless through our analysis, we have concluded that the **use of minibuses is the most cost-effective option**. A practical solution to escalating costs of transport may be to ensure that travel is undertaken by minibus rather than taxi or coach. However, there are not always enough young people to justify the use of a minibus and in some situations there are not enough minibuses available.
- 4.19 The costs of a transport coordinator (under collaborative working – Section 3) may alleviate some of the logistical challenges, by **undertaking an assessment of the need and setting long-term strategies for the management of transport**. Though there are costs associated with funding a transport coordinator, this may translate into cost savings in the longer-term through the development of a cost-effective and practical strategy.

## Transport versus e-learning

- 4.20 The transport of young people to offsite provision presents a number of **challenges to both those individuals who are involved in the organisation of it and the young people who spend time travelling between locations**. A solution to this problem may be to deliver courses via e-learning so that providers are still able to collaborate but that, in these instances, young people are not required to travel.
- 4.21 Prior to undertaking a comparison of the costs associated with transporting young people, and those associated with setting up and managing e-learning facilities, consideration must be given to the type of circumstances when e-learning may be an appropriate alternative to transporting learners.

4.22 The purpose of collaborative delivery is to ensure a wider curriculum offering to young people by making efficient use of resources and facilities so that young people can access courses not currently offered at their home centre, or groups of young people can be established from a number of providers which are cost efficient for delivery.

4.23 In the case of vocational provision, **the experience to be gained from undertaking a course in a college with excellent vocational facilities, or at a work based learning provider, cannot easily be replicated via e-learning.** Similarly, there are circumstances where e-learning is the most appropriate option and hence the cost saving of transport, or greater costs of e-learning should not be a key consideration. For example, one case study offers a distance e-learning facility for ‘at risk’ young people who it would not be appropriate to tutor in a school/college setting.

4.24 **Table 4.1** has been used to set out the categories of costs that might be incurred through delivery via e-learning and delivery offsite.

<b>Table 4.1: Offsite versus e-learning</b>		
<i>Cost category</i>	<i>Offsite</i>	<i>e-learning</i>
Transport	yes	not required
facilities (e.g. classroom)	yes	yes, in multiple locations
teaching staff	yes	yes, in multiple locations
ICT facilities	only if required as part of course	yes

4.25 The total costs will vary depending on the number of locations from which young people are from, the type of course and the distance from the home centres to offsite provision.

## Delivery Costs

4.26 **Table 4.2** (at the end of this section) summarises the costs associated with the delivery of collaborative provision, within each of the key cost categories identified. The variation in activity, as highlighted in Section 1, limits the development of overall indicative costs for specific provision. Instead, case study examples have been used to present the types of activities that may be undertaken and their associated costs; however, many of these costs are dependent on local circumstances and will vary from Pathfinder to Pathfinder. The variability factors give an indication of the types of factors that will affect the total cost.

4.27 Detailed analysis and further examples of costs associated with developing a broader curriculum can be found in **Section 8** of the Technical Report.

4.28 The types of costs that should be considered are:

- **transport** – transporting young people to a range of locations is costly and complex due to the numbers of young people requiring transport at different times of the day and to different locations. Based on the cost information provided, the mean cost per person for weekly travel to provision equates to £3.20. The cost of a ‘round trip’ varies from £0.30 to £6.30 with minibus the cheapest option, on average, at £1.22 per person;

### vocational provision:

- **teaching/delivery costs** - teaching costs range from £29 per hour to £65 per hour, with an average of £44 per hour. The per hour costs are higher for courses such as engineering and lower for performing arts. This is likely to be related to the teaching staff used, with many engineering courses taking place in work-based training providers, utilising higher cost technicians;
- **work experience** - work experience and placements are an important part of gaining vocational experience. The cost per person, per placement, ranges from £50 to £975, with variation due to factors such as the location of the placement and length of placement. Examples may include weekly placement units (£338 per person) or one-off placements (£438 per person);

- **support costs:**
  - **overheads** – this may include the hire of a workshop (e.g. a dance workshop at £5.80 per day) or college overheads/facilities (e.g. at £12 per day);
  - **capital investment** – this may include the construction of a vocational skills centre (£1m to £2.5m) or investment in software (e.g. CAD/CAM at £50,000);
  - **materials** – consumables range from £70 to £95 per person;
  - **assessment/moderation** – joint assessment/moderation may need to take place for offsite provision (e.g. £128 per person);
  - **recruitment** – it is important that learners are matched to the appropriate provision through recruitment and selection processes (e.g. £78 per person for staff time);
- the **total delivery costs** depend on the number of young people, the hours per week, and teaching group sizes, amongst other factors. Therefore, it may be useful to refer to the total delivery cost, per person from the IFP study<sup>4</sup> (see Appendix A for a breakdown of costs):
  - Applied GCSE Health & Social Care: £1,377 - £1,716;
  - Engineering NVQ: £2,123 - £2,755;

other extended curriculum:

- **teaching/delivery costs** – e.g. a key skills course at £600 per person;

skills shortages:

- **teaching/delivery costs** – since the majority of skills shortage courses are vocational, the cost of delivery is likely to be similar to that of other vocational courses;

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<sup>4</sup> Increased Flexibility for 14-16 year olds – Cohort 2 Costing Study, YCL, 2004.

enterprise learning:

- **teaching/delivery costs** – the delivery costs for enterprise learning include programmes such as Young Enterprise (£4,800);

targeting a range of learners:

- **teaching/delivery costs** – collaborative delivery aimed at specific groups of young people enables young people to come together in groups of a size feasible for delivery, and allows access to specialist facilities/support these young people may benefit from.
  - variations in the pace of learning – e.g. the cost of delivering a vocational GCSE course to gifted and talented young people will be similar to that of a vocational course. In addition, there are no cost savings to be made since this twilight provision takes place out of ‘normal’ hours;
  - projects – case studies have provided short-term and one-off taster programmes aimed at gifted and talented young people (£15 - £243) and young people with SEN (£180 - £1,142). The variance in cost is due to the length and characteristics of each project. In particular, the SEN projects may require delivery in smaller group sizes;
- **work experience** – work experience opportunities may include vocational placements, e.g. motor vehicle placements for young people with SEN at £1,142 per person for three half-days;
- **student support** - projects/programmes aimed at young people with SEN or those who are disengaged/disadvantaged may require additional support, e.g. an additional staff member to attend offsite provision alongside young people with SEN at £14,000 p.a.;

progression:

- **teaching/delivery costs** – e.g. awareness-raising events at £33 per young person.

**Table 4.2: Delivery of collaborative provision**

<i>Cost categories</i>	<i>Specific activities and case study examples</i>	<i>Costs</i>	<i>Variability Factors</i>
<b>General</b>			
<b>transport</b>	<b>learner transport</b> weekly travel round trip per person: <ul style="list-style-type: none"> <li>▪ minibus</li> <li>▪ coach</li> <li>▪ taxi</li> </ul>	£3.20 per person per week  £1.22 per person £1.64 per person £3.55 per person	No. of young people Distance travelled Frequency of travel Mode of transport available No. of young people travelling at any one time
<b>Vocational</b>			
<b>teaching/delivery costs</b>	<b>staff/tutor time</b>	£44 per hour	No. of young people No. of hours per week No. of weeks No. of teaching groups Nature of course Requirement for technician or learner support assistant
<b>work experience</b>	<b>placement units</b> e.g. vocational placement units (1 day per week x 12 weeks)	£338 per person	No. of young people Length of placement/work experience Location
	<b>work experience</b> e.g. foreign work experience	£438 per person	

Table 4.2: Delivery of collaborative provision

<i>Cost categories</i>	<i>Specific activities and case study examples</i>	<i>Costs</i>	<i>Variability Factors</i>
Vocational (cont.)			
<b>support costs</b>	<b>Overheads</b>		No. of hours No. of weeks Type of facilities
	e.g. hire of dance workshop	£5.80 per day	
	e.g. college overheads	£12 per hour	
	<b>capital investment</b>		
	e.g. vocational centre	£1,000,000	Size of centre Who it is to be used by
	e.g. CAD/CAM software	£50,000	
	<b>materials</b>	£70 per person	No. of young people Nature of course Type of materials
	e.g. consumables for engineering course		
	<b>assessment/moderation</b>		
e.g. for offsite provision	£1,500		
<b>recruitment</b>			No. of young people Nature of the provision No. of staff involved
e.g. recruitment for GCSE course	£78 per person		

**Table 4.2: Delivery of collaborative provision**

<i>Cost categories</i>	<i>Specific activities and case study examples</i>	<i>Costs</i>	<i>Variability Factors</i>
<b>Vocational (cont.)</b>			
<b>IFP delivery<sup>5</sup></b>	Applied GCSE Health & Social Care Engineering NVQ	£1,377 - £1,716 £2,123 - £2,755	No. of hours per week No. of weeks No. of young people per group Associated resource & equipment costs Requirement for learner support assistant Transport costs Employer liaison costs
<b>other extended curriculum</b>			
<b>teaching/delivery</b>	e.g. delivery of key skills	£600 per person	No. of young people No. of hours per week No. of weeks No. of teaching groups Nature of programme

<sup>5</sup> Source: Increased Flexibility for 14-16 Year Olds, Cohort 2 Study, YCL 2004

**Table 4.2: Delivery of collaborative provision**

<i>Cost categories</i>	<i>Specific activities and case study examples</i>	<i>Costs</i>	<i>Variability Factors</i>
<b>skills shortages</b>			
<b>teaching/delivery</b>	<b>staff/tutor time</b> (as for vocational)	£44 per hour	No. of young people No. of hours per week No. of weeks No. of teaching groups Nature of course Requirement for technician or learner support assistant
<b>enterprise learning</b>			
<b>teaching/delivery</b>	e.g. new 'Young Enterprise' programmes in schools	£4,800	No. of partners No. of young people

**Table 4.2: Delivery of collaborative provision**

<i>Cost categories</i>	<i>Specific activities and case study examples</i>	<i>Costs</i>	<i>Variability Factors</i>
targeting a range of learners			
<b>teaching/delivery</b>	<i>for gifted and talented</i> e.g. press team experience e.g. twilight provision	£125 per person £46 per hour teaching costs	No. of young people No. of hours per week No. of weeks
	<i>for disengaged/disadvantaged</i> e.g. traveller project course tuition, travelling and equipment	£13,500 p.a.	No. of teaching groups Nature of programme
	<i>for young people with SEN</i> <b>taster programme</b> e.g. vocational taster programme	£180 per person	No. of young people No. of hours per week No. of weeks No. of teaching groups Nature of programme
<b>work experience</b>	e.g. vocational placements	£1,142 per person	No. of young people No. of hours per week No. of weeks No. of teaching groups Nature of programme
<b>student support</b>	<b>additional staffing</b> e.g. additional staff member at offsite provision	£14,000 p.a.	No. of additional staff required No. of hours per week No. of weeks No. of teaching groups

**Table 4.2: Delivery of collaborative provision**

<b>Table 4.2: Delivery of collaborative provision</b>			
<i>Cost categories</i>	<i>Specific activities and case study examples</i>	<i>Costs</i>	<i>Variability Factors</i>
			Nature of programme
Progression			
<b>teaching/delivery costs</b>	<b>awareness-raising events</b> e.g. applications day aimed at Year 11s who have not yet made a Post 16 choice	£2,500 (£33 per person)	No. of hours No. of young people Location Staff involved

## 5 CONCLUSIONS AND IMPLICATIONS OF THE RESEARCH

### Introduction

- 5.1 In this section we provide a summary of the qualitative issues raised in relation to the costs associated with collaborative working, and outline the conclusions and future implications of the study.
- 5.2 Throughout the case study fieldwork, a number of qualitative issues were raised in relation to the costs associated with collaborative working. While this was not the focus of activity undertaken, these issues aid in **setting the costs in the context of the environment within which the Pathfinders are operating, and the challenges they face.**
- 5.3 The section is structured around:
- additional costs of collaborative working;
  - cost levels;
  - funding;
  - sustainability;
  - implications.

### Additional Costs of Collaborative Working

- 5.4 Collaborative working has facilitated the development and delivery of new courses and programmes, which enhance the learning experience for young people, and by their very nature are costly. As such, there will **always be additional costs due to the nature of what collaboration provision is seeking to achieve.** These include:

- **Generic collaborative working:** There are some clear start-up costs associated with developing collaborative arrangements across 14-19 learning providers and stakeholders. Some of these are short term and others are presented as annual costs, but could be considered more medium term development costs which may be reduced or rationalised over time. Over and above this, there will always be additional annual costs associated with the management and administration of collaborative arrangements;
- **Development of new programmes:** There are additional costs associated with the development of new programmes/provision. Again, these may be considered as one-off development costs which do not need to be sustained over time. However, the nature of the work that Pathfinders are seeking to achieve and the ongoing development required to meet the objectives of the 14-19 White Paper – *“to create a system better tailored to the needs of the individual pupil...introduce greater choice of what and where to study and make it easier to combine academic and vocational learning.....[and] ...make the full range of choices available to young people.....”* - means that the cost of ongoing development of new programmes needs to be considered;
- **Delivery of collaborative provision:** Over time we may expect cost efficiencies from the delivery of collaborative provision given that such provision might substitute for provision as part of the core curriculum provided in home institution (and therefore could be funded through core AWPU funding). However, the nature of the provision and offer provided means that there will always be some additional costs (i.e. over and above core funding as it stands), such as:
  - transport, additional student support, specialist equipment and facilities;
  - provision which is “additional” to the core offer, e.g. out of hours taster programmes;
  - where pupil numbers are small the way in which AWPU works is such that schools/home institution costs for delivering core provision to the remaining group of pupils will still need to be incurred.

- 5.5 The notion of working collaboratively to manage processes and deliver provision to young people is relatively new and hence **the most cost effective ways of managing the processes are still under development**. The Pathfinders have adopted a range of different approaches to collaborative working, with some relying more heavily on costly, external support to develop the relevant capabilities, whilst others are able to source support from within the Pathfinder.
- 5.6 **At this stage cost efficiency is minimal**, since many cost savings are offset by additional costs such as transport and specialist equipment required for the courses undertaken. Over time, cost efficiencies may be developed, though the focus should remain on real partnership working and widening opportunities for all young people.
- 5.7 Some fee structures have been set in place, which although do not cover the total cost of delivery, encourage partners to take responsibility for funding of activities.

### Cost Levels

- 5.8 Collaborative working is a **complex and costly task**, as highlighted by the range of types of costs that should be considered, the factors which influence these costs, and the logistical challenges the Pathfinders face, such as the coordination of learner transport.
- 5.9 There is **no one model which can represent the costs to a Pathfinder of collaborative working**, due to the complex nature of the environment within which they operate. A whole range of factors influence the total costs of collaborative working, ranging from the cultures within the Pathfinders, to the geographical setting, the learners, and the Pathfinder targets. As such, there is **no one total cost of collaborative working**.

### Funding

- 5.10 Funding has played four important roles in collaboration:
- to kickstart collaborative working;

- to manage ongoing collaboration;
- to develop innovative approaches to collaborative working;
- to develop and deliver a broader curriculum through collaborative practices.

5.11 Pathfinder funding has enabled areas to develop innovative approaches to collaborative working and expand their curriculum offer. However, they are currently reliant on various uncertain funding streams – **sustainability must be addressed** to ensure the work can continue.

## Sustainability

5.12 The combination of funding streams, and in particular, the boost of funding through 14-19 Pathfinders, has **enabled the case study areas to develop innovative approaches to collaborative working and to expand the curriculum offer available to young people.**

5.13 In an environment where **funding sources are uncertain**, it is important that consideration is given to **how these activities can be sustained**. Throughout the analysis of costs provided in the Technical Report, issues of sustainability have been raised, with some specific examples of approaches that can be adopted to ensure that particular activities can continue, with less, or even without funding.

5.14 There are a number of ways in which Pathfinders can continue to support the activities they are involved in. These include:

- **use of multiple funding streams** – this is an option but creates uncertainty and does not always account for future planning;
- the **transfer of costs to the individual partners**, for example, by partners contributing a set amount to various activities the Pathfinder supports;
- by **rationalising the activity** – this could be rationalisation of management structures or rationalisation of the curriculum offer;
- by **seeking and developing more cost efficient ways** of managing collaborative working.

- 5.15 There are implications associated with all of these options and the best model probably includes a combination of these. The most critical activity that can be undertaken is to **make plans for sustaining activities**.
- 5.16 In order to set up courses/programmes, some provision has been delivered at what might be unsustainable levels e.g. heavily staff-resourced, small groups of young people. However, this is an important part of set up and through these processes a more sustainable model should be developed.
- 5.17 Two good practice examples of approaches to addressing sustainability are described below.

*Undertaking a carefully managed process of monitoring demand by reviewing all applications for courses and making recommendations to each partner about what courses are feasible to deliver.*

*School staff are being trained at a work based training provider alongside the young people attending a vocational course. It is intended that over time the majority of provision may then be able to take place in school, with limited delivery at the work based training provider, thus resulting in a less costly, more sustainable delivery model.*

- 5.18 There are a number of activities which, once the Pathfinders have developed an optimum model or best practice, can be shared with other areas. Developmental activities like this need to be sustained so there will always be a need for some form of funding to support innovative developments.

## Implications

- 5.19 This study has raised a number of implications which should be considered within the context of the implementation of policy objectives outlined in the 14-19 White Paper and subsequent Green Paper “Youth Matters”:
- **the findings presented in this report are ‘indicative’** – they do not provide the absolute cost of collaborative working but can be used as a guide/support for future decision making and any further work;
  - **collaborative working is costly**, and due to the nature of what it is trying to achieve **there will always be some additional costs**;

- the **uncertainty of funding sources** and dependence of Pathfinders on multiple funding streams may be hindering future planning – in order to address sustainability, funding needs to support collaborative working directly, rather than by implication through multiple funding streams;
- the evidence collected and analysis presented provides a **clear basis from which funding models and mechanisms can be developed** which incorporate, support and encourage issues associated with:
  - the cost of collaborative working in different partnership settings, including different sizes of partnerships, as well as other variability factors;
  - further cost efficiencies that could be gained within these contexts. The Pathfinders have demonstrated a **number of innovative activities and approaches to collaborative working**. A further focus may be on encouraging them to **develop cost efficient models of partnership working, and development and delivery of provision** that could be adopted by other areas;
  - the potential for further charging structures. As yet, **charging structures** have not been formalised between partners, and have not been a focus in the majority of cases. **Further detailed work may provide insight** into how this can be managed.



**APPENDIX A**  
**IFP COSTING STUDY: DELIVERY COSTS**

<b>Teaching Cost Assumptions</b>	
Cost per hour of teaching	£41 per hour
Average group number per GCSE	1.5
Average student numbers per GCSE	24, but variable
Average hours of teaching per GCSE	5 hr x 36 weeks
<b>Curriculum Planning Assumptions</b>	
All Courses, per cohort	£1,400
<b>Facilities Assumptions</b>	
Hourly cost per teaching group	£10 per hour
<b>Resources &amp; Equipment Cost Assumptions (per student per Cohort)</b>	
Art & Design	£220
Business	£28
ICT	£60
Science	£68
Manufacturing	£34
Health & Social Care	£45
Leisure & Tourism	£35
Engineering	£42
<b>Registration &amp; Entry Fee Assumptions</b>	
Per student cost per cohort	£45
<b>Learner Support Assumptions</b>	
Per group, per hour	£8 per hour
<b>Transport Cost Assumptions</b>	
Low (average for 3 partnerships)	£52 per student
Medium (average for 7 partnerships)	£131 per student
High (average for 5 Partnerships)	£461 per student
<b>Employer Liaison Assumptions</b>	
For Engineering, Health & Social Care and ICT applied GCSEs only	£41 per student

**Source: Increased Flexibility for 14-16 Year Olds, Cohort 2 Study, YCL 2004**

<b>Teaching Cost Assumptions</b>		
	<b>NVQ</b>	<b>City &amp; Guilds</b>
Cost per hour of teaching	£51	£36
Delivery mix (college, school, mixed)		
Average group number per qualification	1.5	2
Average student numbers per qualification	21	18
Average hours of teaching per qualification	6hr x 35 weeks	4hr x 35 weeks
<b>Curriculum Planning Assumptions</b>		
All courses, per cohort	£1,800	£1,300
<b>Facilities Assumptions</b>		
Hourly cost per teaching group	£27 per hour	£27 per hour
<b>Resources &amp; Equipment Cost Assumptions (per student per Cohort)</b>		
Catering NVQ	£135	
Construction NVQ	£56	
Engineering NVQ	£79	
Hairdressing NVQ	£121	
Motor Vehicle NVQ	£80	
Performing Engineering and Operations NVQ	£130	
Foundation Construction C&G	£74	
Motor Vehicle C&G	£60	
<b>Registration &amp; Entry Fee Assumptions</b>		
Per student cost per cohort	£62	£44
<b>Learner Support Assumptions</b>		
Per group, per hour	£9	£9
<b>Transport Cost Assumptions</b>		
Low (Average for 2 partnerships)	£58 per student	
Medium (Average for 7 partnerships)	£110 per student	
High (Average for 3 partnerships)	£610 per student	
<b>Employer Liaison Assumptions</b>		
For Hairdressing NVQ only	£89 per student per Cohort	

**Source: Increased Flexibility for 14-16 Year Olds, Cohort 2 Study, YCL 2004**