**Serious Shortfall in Apprenticeship Funding Allocations**

Good afternoon,

We would like to draw your attention to what has been described as a debacle in relation to the handling of Apprenticeship funding for SMEs as a consequence of the ESFA’s cancellation of the recent Apprenticeship procurement exercise and the reversion to an allocations process.

The Government had intended to procure Apprenticeship provision for non-Levy paying organisations via open competition. However, the procurement exercise was cancelled in April 2017 and ESFA reverted to a system of allocations which were notified to providers on the 24th April only one week ahead of the 1 May 2017 implementation date. It is very clear from national coverage in FE Week and direct feedback from Greater Manchester based Apprenticeship training providers that the allocations fall well short of what is required.

We have recently surveyed the 100+ organisations which comprise the membership of the Greater Manchester Learning Provider Network  who collectively deliver over 85% of the total starts in the city region regarding this situation.  Many are reporting that as a consequence of the funding shortfall they will be unable to meet demand from employers and young people for Apprenticeship training.

[Attached](http://gmlpn.co.uk/wp-content/uploads/2017/06/Government-Apprenticeship-Funding-Allocations-GMLPN-May-2017.pdf) is a briefing which provides further detail.

If you would like further information please do not hesitate to contact us.

Regards