



Parallel working group: ILA funding and governance

Discussion summary

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What is the expected size of the annual cost of fully operational ILA in your country?

Participants had little idea of how much it would cost to introduce a fully operational ILAs in their countries. Their best estimate was that it would cost something similar to the scheme in France (or possibly in Singapore).

There was an issue about price versus cost. That if a set amount was set aside for each person to engage in training, then this might well be reflected in the price training providers then charged for the delivery of training. This implies that there are issues about the extent to which it is possible to create an external training market able to efficiently deliver ILAs.

There will be a need to pilot ILAs to see how much they will cost to run when fully implemented. The problem is that pilots take time to implement and then assess the results.

There was recognition that fraud might pose a problem for ILAs. In both France and Singapore it was noted that a considerable amount of resource was required to police the operation of ILAs to ensure that funding was being used appropriately. In the UK, ILAs were withdrawn quickly once evidence of fraud was uncovered, though there was some recognition that ILAs were an innovative approach to empowering individuals to participate in training – see

<https://webarchive.nationalarchives.gov.uk/ukgwa/20170207052351/https://www.nao.org.uk/wp-content/uploads/2002/10/01021235.pdf/>

<https://publications.parliament.uk/pa/cm200203/cmselect/cmpublic/544/54403.htm>

It was not always clear in the discussion whether an ILA would be a genuine account-based entitlement rather than a voucher.



How cost of ILAs compares to the current levels of public expenditure on adult learning?

This proved difficult to answer. In general, if the costs were likely to be same as those in France, then it would be more or less broadly in line with other similar programmes, but it was not always clear what this comparator was in practice.

What are the potential sources of funding that could be set-up to finance ILA?

There was agreement that ILAs should not be funded through ESF. If it was funded through ESF there was no guarantee that ILAs would continue to be funded beyond the current programming period.

There were concerns that because of pressures on public funding the state might not be able to fully fund ILAs. It might be that the social partners, or possibly employers, could be a source of funding.

There was a view that the costs of delivering ILAs might decrease over time. As the system settled down and the training market became more efficient, then the costs attached to ILAs should decrease (possibly).

Consideration was not given to the extent to which existing programmes/schemes might no longer be needed if ILAs were introduced thereby providing a potential source of funding for ILAs.