



May 2020 Report re new Diploma Financial System

Written by the Diploma Working Group (DWG) and Permaculture Association (PA) Staff

Background

- The existing financial system has not been changed since Oct 2013 when the last Fees Guide was written. No increase in fees have been made since then.
- The DWG underwent a strategic review of the Diploma system during 2018-19 and its top recommendation was to redesign the financial system as the current system is financially unsustainable and has various flaws in its mechanisms. If you wish to know more about these problems identified then you are welcome to look at the Financial Report from the DWG Strategy work. Please ask to be sent a copy. It can also be seen [here](#). In summary, the main issues are:
 - Many people are still on the old System 5.1; running two systems has caused much complexity and financial losses for both PA and tutors
 - Ensuring apprentices are up-to-date with membership and annual fees has been difficult, in fact annual fees have only ever been paid by a very small number of apprentices.
 - Many apprentices finished paying for their Diploma a long time ago when the costs were lower, others have just stopped paying; now, too few apprentices are contributing to the ongoing system costs to make it viable.
 - This year the Diploma is set to lose around £8000, and with the additional pressures of Covid-19, we are not in a position to absorb these losses.
- There is a working group consisting of DWG members and PA Staff developing a new system, which has communicated with Diploma apprentices and tutors throughout.
- We plan to launch the new financial system later this year, following the conclusions of our surveys, financial modelling and design work.

Our Hopes

- That the new financial system will create a good cash flow for the Diploma and enable it to flourish rather than survive.
- That a flourishing system will enable more support and opportunities for everyone involved.
- It should also provide motivation for apprentices to keep working on their diploma pathway and encourage a higher completion rate.

- There will be a lower burden on staff time and a clearer financial system for the PA.
- There should also be more flexibility for apprentices to increase and decrease their activity according to their individual circumstances and changing situations.
- And finally we hope this will rid the apprentices of guilt for not getting on with something they have paid for. In the new system they can request to stop payments, take a formally agreed pause and be guilt free.
- We will ensure that the new system enables apprentices to have an affordable option to complete the Diploma and the option to pause their Diploma if they need to.

The Design

These design decisions have been prepared by members of the Diploma Working Group, including tutors, apprentices and staff. We have used the 'Double Diamond' design framework and have conducted a number of surveys, discussions and workshops with apprentices during the design process so far, upon which these decisions are based.

Existing Apprentices

- Apprentices who have been registered for more than two years will be required to pay the annual fee, as set out in the Fees Guide. In 2020 this will be charged at £20 and will be reviewed annually.
- All existing apprentices will be given a transition period, giving them the opportunity to complete the Diploma on the old system.
- The transition period for existing apprentices will begin on September 1st 2020 and end on August 31st 2022.
- During this transition period, those apprentices who are still paying for their Diploma will carry on with their existing payment system. Anyone who has been registered for more than two years, including those who have completed payments, will be asked to pay the annual fee as required in the current Fees Guide.
- Apprentices who have not been accredited by the end of the transition period will then transfer to the new system on September 1st 2022.
- We will work with Diploma Apprentices who have started recently to ensure the transition process works for them.

The new system

- The system will launch on September 1st 2020 for new registrations.
- All existing Diploma accreditation criteria still apply.
- All **new** apprentices from the launch date will pay for their diploma through a monthly or annual fee to the PA for the duration of their Diploma pathway. This fee includes PA membership and also covers the new Diploma service and development costs:
 - a. Standard Diploma membership will be £12/month
 - b. Concessionary Diploma membership will be £8/month (available on application). This ensures apprentices have an affordable option to complete the Diploma.
 - c. There will be a minimum payment period for the Diploma (a minimum amount of time you must be enrolled in order to accredit), of 12 months. Beyond this, apprentices will control the cost of their Diploma by choosing how long to stay on the Diploma and how many tutorials to have.
 - d. These fees will be reviewed annually.

- e. We will contact apprentices who already have Lifetime, Household or Educator membership regarding the monthly fee for their Diploma.
- The cost of tutorials and any other fee normally paid to tutors will be paid directly to tutors by the apprentice instead of through the PA.
 - a. Apprentices will be free to have as few or as many tutorials as they wish and, in agreement with their Tutor, there will be flexibility around the amount of time allocated for a tutorial.
 - b. Hourly rates and fees to tutors for tutorials and assessment work will be reviewed and set by a working group consisting of diploma stakeholders. Tutor fees will be published on the website and reviewed annually.
 - c. The payment due for assessment work will increase as the time allocated to carry out assessment work is currently too low.
- The services to apprentices will include:
 - a. Apprentice admin support
 - b. Regular newsletters
 - c. New dedicated Diploma website, which will include a searchable library of designs
 - d. Monthly online calls
 - e. Event organising support (eg. Diploma Gathering or otherwise)
 - f. The ability to connect with other apprentices via the website
 - g. Overall Diploma system support, including Continuing Professional Development (CPD) and maintenance of standards, and development of modular and online support
 - h. other new services that are identified and prioritised with Apprentices.
 - i. all the other benefits and services of standard PA membership
- Apprentices on the new system will be able to request to formally pause their diploma and their monthly fees if their circumstances prevent them from committing time to progress their diploma pathway.
- We plan to have a new monitoring system for recording apprentice progression.

This design for the new Diploma Financial System has been developed by members of the Diploma Working Group (including Apprentices) and staff over the last 2 years. We welcome apprentices' creative design input into finalising the details of the new Diploma system so that we can ensure that the transition to the new system works for everyone. Thanks!