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Innovation, Universities,
Science and Skills

Pre-legislative Scrutiny of the Draft Apprenticeships Bill

Seventh Report of Session 2007–08

Volume II
Oral and written evidence

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The Innovation, Universities, Science & Skills Committee

The Innovation, Universities, Science & Skills Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Innovation, Universities and Skills.

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Contacts

All correspondence should be addressed to the Clerk of the Innovation, Universities, Science & Skills Committee, Committee Office, 7 Millbank, London SW1P 3JA. The telephone number for general inquiries is: 020 7219 2793; the Committee’s e-mail address is: iuscomm@parliament.uk.
Witnesses

Monday 6 October 2008

Richard Wainer, Head of Education and Skills, CBI, David Frost, Director General, British Chambers of Commerce, Anne Seaman, Chief Executive, Skillsmart Retail, on behalf of the Alliance of Sector Skills Councils and Matthew Jaffa, Acting Deputy Head of Policy, Federation of Small Businesses, on behalf of the Alliance of Sector Skills Councils

Ev 1

Martin Dunford, Chairman, Association of Learning Providers, Sara Mogel, Association of Colleges, and Tom Wilson, Head of the Organisation and Services Department, TUC

Ev 7

David Way, National Director of Apprenticeships, Learning and Skills Council, and Marinos Paphitis, Regional Director, Learning and Skills Council, South East

Ev 15

Monday 27 October 2008

Lord Young of Norwood Green, a Member of the House of Lords, Parliamentary Under Secretary of State for Skills and Apprenticeships, Department for Innovation, Universities and Skills, Jim Knight MP, Minister of State for Schools and Learners, Department for Children, Schools and Families, and Stephen Marston, Director General of Further Education and Skills, Department for Innovation, Universities and Skills

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Innovation, Universities, Science and Skills Committee: Evidence

Ev 1

Oral evidence

Taken before the Innovation, Universities, Science and Skills Committee

on Monday 6 October 2008

Members present:

Mr Phil Willis, in the Chair
Dr Roberta Blackman-Woods
Mr Tim Boswell
Mr Ian Cawsey
Dr Ian Gibson
Dr Brian Iddon
Mr Gordon Marsden
Ian Stewart
Mr Rob Wilson

Witnesses: Richard Wainer, Head of Education and Skills, CBI, David Frost, Director General, British Chambers of Commerce, Anne Seaman, Chief Executive, Skillsmart Retail, on behalf of the Alliance of Sector Skills Councils, and Matthew Jaffa, Acting Deputy Head of Policy, Federation of Small Businesses, gave evidence.

Chairman: Could I thank our witnesses today very much indeed for this one of two oral evidence sessions on the Draft Apprenticeships Bill. Thank you all very much indeed for coming on this, our first day after the long recess. We welcome for our first session Richard Wainer, the head of education and skills at the CBI, David Frost, the director general of the British Chambers of Commerce, Anne Seaman, the chief executive of Skillsmart Retail and an old friend, Matthew Jaffa, the acting deputy head of policy at the Federation of Small Businesses.

Q1 Mr Marsden: I am going to direct my first question to David Frost and Richard Wainer. It is a double question. Do we need this Bill and, if we do need it, how is it going to affect the way in which you take apprentices on or not?

Mr Wainer: I think we do need this Bill. It introduces a number of very welcome flexibilities in the way employers will be able to run their apprenticeship programmes, in particular allowing employers themselves to design, probably with support from the new National Apprenticeship Service and the Sector Skills Councils, their own frameworks for the benefit of their businesses’ skills needs. The priority for a government apprenticeship policy has to be ensuring that more employers are getting involved. That is what drives quality and completion rates, so ensuring the apprenticeship programme and the apprenticeship framework that is on offer to employers better meets their needs will encourage more businesses to get involved.

Q2 Mr Marsden: David, Richard has just given me an answer which slightly underlines that much of what the Government is trying to do with this Bill is aspirational. Do we need legislation to achieve those aspirations?

Mr Wainer: Yes, I think we do. I think it is important that we have the framework. Why? Because we need, I believe, to raise how apprenticeships are viewed not just within business but within society as a whole. If we are to do that to make them a real quality route through employment, we believe that this Bill will help.

Q3 Mr Marsden: Richard mentioned flexibility in his response to me. Do you think the current structures of apprenticeships are not flexible enough?

Mr Frost: We believe that the current structure does not result in apprenticeships being valued in the way that they should be. Employers, parents and young people are not necessarily convinced of the quality of apprenticeships as a progressive route through to a future career.

Q4 Mr Marsden: Is that because often and certainly most recently a large number of them have been delivered by brokers rather than directly?

Mr Frost: We believe that for a successful apprenticeship they should be delivered by the employer. The employer must be at the heart of an apprenticeship system. It must be employer led.

Q5 Mr Marsden: Historically, the attitude of employers in well entrenched areas where there have been apprenticeships has been very good and very strong. There are other so-called new apprenticeship areas where the performance and acceptance have been much more patchy. What is there in this Bill that will make those employers who have traditionally not been involved in apprenticeships feel, “Right, this is something we really ought to go for”?

Mr Wainer: We have to recognise that an apprenticeship in engineering or construction, while there will be common elements, will be different to an apprenticeship in retail, hospitality and in hairdressing, for example. By making sure that employers can have the power to design their own frameworks and make sure that the skills the apprentice is going to be learning and the qualifications they are going to be working towards are relevant to that sector, that is the most important point in this Bill.
Q6 Mr Marsden: Anne, obviously you are here today representing Skillsmart Retail. From your perspective, what is there in the provisions of this Bill that is going to make your members more enthusiastic about taking on apprenticeships?

Ms Seaman: I am actually here on behalf of the Alliance of Sector Skills Councils but I am from Skillsmart Retail so I will be speaking on behalf of all of those.

Q7 Mr Marsden: In that case your reply should be even more authoritative.

Ms Seaman: I think it reinforces Richard’s point. It is about fitness for purpose. It is ensuring that the frameworks meet the needs of the employers. What surprised me when I came into this particular job was how different the sector needs are around apprenticeships. One size does not fit all in terms of the framework you need to understand the sector, how it works and how it will affect the daily business to ensure that it works in an effective way for the employers and for the people undertaking the apprenticeships.

Q8 Mr Marsden: Portability in the past has been a big issue in terms of the apprenticeship debate, whether apprenticeships are too tightly structured to cope with the actual ebb and flow of apprenticeship work programmes. Is there anything in this Bill of itself that is going to improve portability?

Ms Seaman: If we make sure that the blueprint is robust, essentially having a national framework that all the apprenticeships adhere to so you have the common aspects of that on a national basis will ensure that there is an amount of portability. I think that is one of the challenges around employer designed apprenticeships. We have to be aware and make sure that those fit the framework and are national benchmarks, if you like, so that they are transferable because the whole apprenticeship will be undermined if it is not portable. That is one of the things we have to guard against.

Q9 Chairman: What is the incentive for a small employer who wants to take on an apprentice to grow his or her business and they suddenly find out that they are having to meet something which the Secretary of State might lay down, which is of no great benefit to them even though it will be of benefit to the individual?

Ms Seaman: If they are designed properly, that should not occur. I have personal experience a while ago of having a YTS1 in a small business and it was fantastic. It was an extra pair of hands. Okay, you had to go to college one day a week but it really made a difference to our business. We were able to take on another store because we had someone who could look after the shop while we banked the takings and so on. Whilst that is the value of having an apprentice, they can learn but they can really add value, particularly for small businesses.

Q10 Mr Boswell: If this is as flexible as you, Richard and others, would like, can we stack up a common ground? I am familiar with the world of the more formal, academic qualifications and also vocational qualifications. You are always struggling with this issue about if it is particularly course or topic specific or if it is a piece of currency you can take with you.

Can we really square this circle effectively?

Ms Seaman: I think the apprenticeship brand is gathering credibility. The recent investment, the promotion, the blueprint that has really said this is a framework that is consistent across all sectors but respects the need and is fit for purpose in different sectors is a brand that we can build on now.

Q11 Mr Marsden: Matthew, there are some very good small businesses with a long tradition of great pride in terms of recruiting apprentices but equally it has been true historically, in terms of new apprenticeships, that small businesses have often had quite a lot of difficulties in that area. Do you see anything in this Bill that is going to make it easier for small businesses to take on apprentices?

Mr Jaffa: The main thing that we see of interest in this Bill is that, by giving a Bill, it gives importance to the idea of apprenticeships. Therein lies the problem. The Bill is missing certain things that are necessary for a small business and in particular a micro-business for taking on an apprenticeship.

Chairman, you highlighted the point well that for years we have been asking for informal, bite sized learning that is going to benefit the micro-business of one to two employees, but it is very difficult for the Secretary of State or the Sector Skills Council, whoever is going to authorise particular frameworks, to say what a small, micro-business needs. They are still churning out apprenticeship frameworks that small businesses do not need and they are not geared towards the needs of the micro-business.

Q12 Mr Marsden: It is still top down and not bottom up?

Mr Jaffa: Yes.

Q13 Mr Marsden: David, Harold Wilson famously said a week is a long time in politics. We have had a few months since this draft Bill was published and that has been an eternity in terms of the economy. Do you think the economic downturn and the uncertainty that we are now having poses a huge challenge in terms of the Government’s ambitions of renaissance in apprenticeships?

Mr Frost: In the short term it will but I am an optimist. Having been through three recessions before, it is my view that at some stage we are going to come out the other side, hopefully sooner rather than later. What we clearly have to be in a position to do is to meet the aspirations of the employers who provide an apprenticeship service which is valued by the employee. There is no right time to launch this but at some stage the economy and employers will be in a position where they need apprentices.

1 Youth Training Scheme
Q14 Ian Stewart: Matthew, Richard and David, to what extent does this Bill give employers the freedom to create apprenticeships as they see the need for them?

Mr Wainer: A lot will depend on how this Bill is put into practice. Clearly there are clauses in the Bill to allow employers or any organisation, not just the Sector Skills Council as it is now, to produce an apprenticeship framework that has to be approved by the Sector Skills Council. Putting this into practice, it will be important that the Sector Skills Councils do not restrict that flexibility and do not introduce more rigidity in the system and perhaps undermine some of these provisions. If some of our world class employers—the likes of McDonalds, Tesco, Nissan—develop an apprenticeship framework that is fit for them, then it really should be fit for the whole sector.

Q15 Ian Stewart: Does that stand for small businesses?

Mr Jaffa: I would not totally agree. There is not enough in this Bill for us to see where we can be involved with the process. There are so many different bodies. You have the Sector Skills Council; you now have Group Training Associations mentioned in the Bill, the National Apprenticeship Service, and it is very difficult for small businesses to know where to engage. We could be involved in the idea of Group Training Associations and that would help the process of them matching up how to engage with the service because the GTA would do the work for you and that would take a lot of the pressure off small businesses trying to engage with the system. In effect we would support the idea of the GTAs as long as we know who the employer still is. From my understanding of it, it would appear that GTAs are kind of the employer so there might be issues regarding contracts of employment that might be a concern for our members.

Q16 Ian Stewart: Anne highlighted the desire for apprentices to gain transferable, career enhancing skills. How much are your members interested in that?

Mr Jaffa: The main skills that our members want are skills that are needed for them to function on the job and to hit the ground running. Literacy, numeracy and ICT skills are important but it is not the responsibility for an employer to take on an apprentice, to train in literacy, numeracy and ICT skills on the first day. It should be on the job skills. Those particular skills—literacy, numeracy and ICT—should be within the education system.

Q17 Ian Stewart: Can the system deliver what your members want?

Mr Jaffa: I am yet to be convinced.

Mr Frost: Putting the employer at the heart of this is going to be key. Employers are confused and bemused by the constant, frequent changes in vocational training and are also concerned about the number of agencies literally that are knocking on their door, trying to sell them training services. We need to be clear where the National Apprenticeship Service is going to fit into this and which of the organisations it is going to need to liaise and interface with. The concept of a Group Training Association will be at the heart for many small and medium sized businesses because the world of apprenticeships has changed from when a lot of people of my generation were involved, where you had very large companies that were embedded in the regions that would often recruit 50, 70 or 100 apprentices at a time for both their own purposes and then for other business as well. Those have now gone. What we are looking at is a concept where one or two apprentices perhaps are being taken by a number of companies and we have effective delivery of training for those which brings in the Group Training Association. The other big change we have had a fundamental shift in the structure of business away from manufacturing, where of course the apprenticeship was embedded in, now much more to a service sector economy. I think it is going to be a real challenge to deliver effective apprentices in that service sector and I do not think we are there yet.

Q18 Ian Stewart: Can we get a consensus of where each of the organisations represented can get from this Bill what it is looking for? I am mindful, Matthew, of what you said on behalf of your members. If so, how do we get there?

Ms Seaman: I think we can. One of the challenges is around complexity and being clear about the boundaries and relationships between the organisations involved. All employers complain about the complexity and bureaucracy around this area and particularly around apprenticeships. It is having clarity about who does what and who should be talking to who, what the various roles are. I just want to make a point about flexibility though because there is flexibility in the design of the framework, which means bite size, fit for purpose and embedding the basic skills areas, but there is also flexibility around delivery. A lot of the challenges around apprenticeships are how flexible we can be in delivery, in assessment processes and so on. The flexibility has to be there in both aspects of that to make it deliverable and to embed it within businesses.

Q19 Chairman: I am gobsmacked here, a northern phrase. All of you have mentioned the level of complexity, bureaucracy and everything else and here is another Bill that adds to it all. You are all saying, “This is great.” Richard, sorry, I am putting words into your mouth, accusing you wrongly.

Mr Seaman: We are hoping that this Bill will bring some clarity to that all, with definitions around what the National Apprenticeship Service is there for, what the Sector Skills Councils’ role is and some flexibility around Group Training Associations so that we can deliver the economies of scale.

Q20 Ian Stewart: Do we need a new Act of Parliament for that?
Mr Wainer: There are a lot of issues around apprenticeships that will not be solved by legislation. Anne picked up the point of bureaucracy and red tape. That does not need legislation to solve the problems there.

Q21 Chairman: Ian’s question is absolutely right. What is in this Bill that needs legislation, that we could not do through good regulation or discussing with employers?

Mr Wainer: I think it comes back to my first point around ensuring that the frameworks are fit for purpose and allowing employers to have that strong input because at the moment the process is that the Sector Skills Councils assess the framework and other organisations, other businesses, cannot have that strong input.

Chairman: You are an optimist.

Q22 Dr Gibson: I thought the world now was a world where individuals had several jobs throughout their lives. There was this old fashioned idea that you went into the shipyards in the upper Clyde and you were driven for life. It does not happen that way any more. People maybe have four or five jobs, go to Europe or elsewhere, and their skills change. You would have an apprenticeship 10 times in a year to suit the particular job that you move to. Is that not the world today? People move about more than the old fashioned idea of one job for life.

Mr Frost: I agree. I think that is why this has to be part of a framework. It has to be clear with the ability to progress for example from doing an apprenticeship through to doing a degree and beyond. It should not just be viewed in isolation.

Q23 Mr Boswell: Can I ask a bit more about the details in apprenticeship agreements and perhaps a little bit more about the relationship between the frameworks and the agreements themselves? Who is going to specify that kind of thing? Is it going to be the employers? Is it going to need approval by the National Apprenticeship Service or whatever? That will lead on to a question about bureaucracy but let us just deal with the nuts and bolts. Who is in charge of the delivery of the apprenticeship agreements and then ultimately of their implementation?

Mr Ja: To be honest with you, I cannot give you the answer as to who we think is in charge of the system. That is why we are probably at the lower end in terms of enthusiasm for this kind of Bill because unfortunately, as small businesses, we do not know how to engage with this system. We feel that when these agreements are made they are very geared towards large and medium sized businesses and not the micro, small businesses. We have a case study in the south west where a consortium of small and large employers was trying to get an engineering qualification agreed and it was going through for about a year but at the last minute was pulled because the local colleges did not feel they could agree to the particular issues that the small businesses were asking for. This is just one case study. Small businesses will find it hardest through this system to get any kind of accreditation.

Q24 Mr Boswell: Can I bring in my other question which is about off the job training, time in college or whatever? Clearly that is important and nobody is saying we should not have any. How much is that, in your book, going to be specified or does it need to be specified in order to establish the external credibility of the apprenticeship, or do you really want that to be something which is very much a matter for employer resolution?

Mr Jaffa: The idea of the old fashioned day release is not what we are looking for. We do agree with time spent in local colleges as long as you are employed within a business. We have no problem there. We are fine with that as long as it is not the traditional day release. It has to be locally provided, locally sourced. The brokerage is showing that it is for the needs to be relevant for a small business, whether it be a specific time, or locally based or through bite sized chunks, not taking a day out of the organisation.

Q25 Mr Boswell: Can I ask the three others now to respond on the bureaucracy point and this tension again between detail and general specification?

Mr Wainer: The Bill does not detail what apprenticeship standards should look like.

Q26 Mr Boswell: Should it?

Mr Wainer: No. I think it should be down to the individual employer to determine that with the apprentice. Of course it has to be a balance between that flexibility and high quality experience for the apprentice. That will entail some off the job time but, as Matthew said, that has to be delivered flexibly. It is not just going down every Friday afternoon to your local college.

Q27 Mr Boswell: Are you at all worried that the NAS is going to come along with a very prescriptive model? What worries me is that there are lots of good intentions and a lot of enthusiasm, but it might just all fall foul on bureaucracy and that is slightly the tenor of the evidence we have received. Are you rehearsing that as a doubt and worry?

Mr Wainer: I think that is a concern, yes.

Mr Frost: The NAS has to show real added value. It may well be that it needs some form of regional structure, engaging with business and those other agencies.

Q28 Mr Boswell: It is not an email to Coventry, as it were, that is suddenly going to produce the answer to the problem. It is a local dialogue?

Mr Frost: Yes.

Ms Seaman: Can I make a point about time out of the business, because I do not think it is always necessary. It depends on the particular apprenticeship, the particular business and the individual involved. You must remember that these apprenticeships are also valuable for adults already working within businesses. Therefore, going to college may not always be appropriate. Certainly we have seen examples of apprenticeships being delivered wholly within a business. Obviously there
is time out within the business to do particular aspects—one or two hours—but on the job, in the workplace, is the best way for them to be delivered.

Q29 Mr Boswell: You would see a central edict that there had to be so much time off the job as being over specification and inappropriate?  
Ms Seaman: The appropriate specification is around the blueprint in terms of what a national benchmark framework should look like. Then it depends very much on the sector and the businesses involved as to how it gets delivered and designed.

Q30 Mr Boswell: Towards the objective?  
Ms Seaman: Yes.

Q31 Chairman: What confuses me with your responses and with Matthew’s responses to a large extent is, if you want employers to be the determinant of what an apprenticeship scheme should be and what goes into it, why on earth should the taxpayer fund it?

Ms Seaman: That is a challenge and I do not think all employers necessarily expect it to be funded. Certainly that is not the first question that employers often ask. With young people, certainly 16 to 18 year olds, there is an element of ongoing training and development, of gearing them up for work and whether that is in a specific sector that serves them for their lifetime or it develops a transferable skill, the employability skills, through that apprenticeship that they need throughout their lifetime, I think there is an expectation that that would be supported or subsidised. I think it depends on an individual case basis around adult apprenticeships, for example, depending what the circumstances are coming in perhaps from unemployment for a long period, getting onto the ladder. They need support and help and they may need additional support in the business. The business cannot always carry that full cost so there might be an argument for subsidy and so on. It will depend on sectors as well.

Q32 Dr Iddon: Group Training Associations are as old as The Beatles. They date back to the sixties and they are very strong in the engineering sector. I have a figure of 88 of these charitable organisations operating in that sector. Can they adopt the Heineken principle? In other words, will they reach into larger businesses before they go into smaller businesses. Small businesses are prepared to pay for apprenticeships. It is just the idea of literacy and numeracy skills that they are not prepared to pay for, but we are in effect calling for an increase in the national minimum wage for apprenticeships that was set last week. We feel they should be paid more as that will increase completion levels.

Q33 Dr Iddon: Are you saying therefore that not all sectors of the economy will have access to a Group Training Association?  
Mr Jaffa: We do not think so. I am yet to be convinced on that particular one.

Q34 Dr Iddon: You obviously agree that if a young man or woman is looking for an apprenticeship they are not going to choose a small company first, are they?  
Mr Jaffa: That is the problem with the system.

Q35 Dr Iddon: How do we encourage apprentices to go into small companies? Do we offer something extra?  
Mr Jaffa: I do not want to get into party politics but I do think a certain amount given before the apprentice signs up to encourage them to go into a small business, or an amount given to a small business to take on an apprentice, might be more of an incentive for that small business to advertise or be more forthcoming in terms of who they are going to attract.

Mr Frost: The question lies at the heart of the issues. In essence, in many parts of the UK there are no large businesses so the only option for young people is to go and work for a small company. The only way that this will work is by ensuring that apprenticeships are seen as a high quality qualification because they are not. We have the position where vocational training is not seen as being the first option for either parents, teachers or young people and therefore I think we will see the emergence of a number of innovative ways of delivering training, getting small companies to come together to provide that. I think a Group Training Association may well lie at the heart of that.

Q36 Dr Iddon: Do you think there has to be a financial incentive to do that or will it happen without?  
Mr Frost: It is interesting. If you look at the development of Group Training Associations when the ITBs2 were set up, there were clearly financial incentives to do that. They may well be needed again, yes.

Q37 Mr Wilson: There has been some criticism of the quality of some apprenticeships in recent years. In the new structure of things, if an employer does not

2 Industry Training Boards
have the time to supervise and train an apprentice properly, should they have access to government funds?

**Mr Frost:** No. If it is a programme that is not part of the framework, then I do not think they should have access to funds.

Q38 **Chairman:** At the heart of what we are trying to get at is this issue about growing numbers and equating that to quality, because simply growing numbers will not do anybody any great service.

**Mr Frost:** Absolutely. If the Government simply wants to go to a relentless increase in volumes, this will not work. The reason why large numbers of people have now gone off for an academic route with the huge expansion of higher education is because apprenticeships have not been seen as quality alternatives. Simply to go for volume at the expense of quality will just consign this programme to the dustbin.

Q39 **Mr Wilson:** Would there therefore a better progression from apprenticeship into higher education be particularly attractive to get more people to become apprentices?

**Mr Frost:** Unquestionably. They want to be seen as being part of a natural route to move on.

**Mr Wainer:** We have to see that moving into higher education is not just about going on to do three year full time undergraduate degrees. Higher education is much more flexible than that. You have companies like BT offering level four apprenticeships which deliver foundation degrees, so I think we have to get ourselves away from the mindset that progression to higher education is not just going to university for three years full time.

**Ms Seaman:** One of the critical things here is getting that agreement right up front so that everybody is clear about their expectations in terms of the employer, the provider and the individual. If everybody is clear about that up front, I think that will assist in terms of all the expectations of the people involved to improve the quality and make sure that some of those things you talked about do not arise. If they do, then the funding is not available.

Q40 **Mr Cawsey:** The draft Bill is going to set up the National Apprenticeship Service. What are the key issues that that service should concentrate on? For instance, should they be the guardian of apprenticeship quality?

**Mr Frost:** I think the primary role is to provide leadership and a clear statement of the importance of apprenticeship, to take ownership and, as you say, put that stamp on it.

**Mr Wainer:** In terms of whether it will be a success, it really has to focus on helping employers reduce the time they spend on bureaucracy, encouraging more young people of all abilities to take an apprenticeship. Perhaps that is where the clause in the Bill on careers advice really does fall down. Rather than it improving careers advice in terms of offering guidance to young people about apprenticeships, it will just reinforce careers advisers’ and teachers’ prejudices that already exist. What we have to do is make sure all young people receive high quality advice and guidance on whether an apprenticeship is good for them, not using the judgment of the teacher if that is going to be “in the best interests”, as I think the Bill puts it, of the young person. It has to be more widespread than that.

**Ms Seaman:** It is about having a national benchmark and a national standard so that the apprenticeship stands for something of high quality and it has an equivalence with all the other options that a young person or an older person might take and is equally respected. I see a lot of the NAS role in terms of building that credibility, that brand and reputation around apprenticeships so that they are valued by employers and individuals alike and people get proper advice about the options that are open to them.

**Mr Jaffa:** If it is going to have any role to benefit our sector, it has to be what is in it for the small businesses because they do want to take on apprenticeships. In a recent survey, we found that only 5% of the people taking on apprenticeships were aware of wage contribution on offer to small businesses, which is a very, very low figure. It is that awareness that is key. Whether it needs legislation I do not know but, as long as awareness is raised, we will be happy.

Q41 **Mr Cawsey:** You spoke earlier about bureaucracy, particularly for small businesses, in terms of this but presumably you all agree that it is important that some data is collected so that it can be analysed and made publicly available to provide the sort of robust evidence that this is a good scheme. To what extent should this National Apprenticeship Service be collecting data?

**Mr Jaffa:** We have always struggled with getting apprentices to complete the course. The data on completion levels, particularly in the micro sector for those under 10 employees, will be very beneficial for us.

**Mr Frost:** I clearly understand the need for data but I think this is one of the issues about bureaucracy. As long as we are clear who is collecting the data and why and firms are not being bombarded by a whole host of different agencies at national, regional and local level, then that is understood.

**Ms Seaman:** I think the data is critical, not only in terms of understanding what is going on but building credibility. We need to know that completion rates are improving and I think that comes back to fitness for purpose of frameworks and getting the delivery right. If we get all that right, the completion rates will increase.

Q42 **Mr Cawsey:** The completion rate does not necessarily equate to improving quality, does it?

**Ms Seaman:** I believe it does because you have to have a quality framework for someone to complete if you have all the agreements in place.

**Mr Wainer:** I agree with David. I think data collection is important as long as it does not place undue burdens on the businesses involved but at the...
moment I think the quality of data we have around apprenticeships is pretty poor. From a policy perspective, it is very difficult.

Q43 Mr Cawsey: It is planned that there will be a national matching service which there has been some comment about. To what extent is business enthusiastic about the national service or would you prefer more localised arrangements?

Mr Jaffa: The idea of a matching service would be what a Group Training Association was there for, so if it is going to make any point make it one and not two different things for a small business to understand.

Mr Frost: Particularly small and medium sized businesses operate in a local labour market. That matching is going to have to be done at local level.

Ms Seaman: We have yet to see how it works but I think it would have to be local based on local areas and local needs.

Mr Wainer: I agree.

Q44 Chairman: All of you started by making it clear that you felt that, first of all, apprenticeships would only work if in fact there was strong engagement by employers. In other words, it was an experience led apprenticeship scheme. I think you all subscribe to that. What are your views about programme led apprenticeships which are delivered through training providers and FE colleges? Do they have a place?

Mr Frost: We are absolutely clear. We believe for those apprenticeship schemes to work they must be employer led.

Q45 Chairman: End of story?

Mr Frost: Yes.

Mr Jaffa: We would agree with that.

Mr Wainer: I think just increasing apprenticeship numbers through programme led apprenticeships is not going to do anyone any good. We have to make sure the scheme really does deliver to employers and young people.

Ms Seaman: Our employers would say that they need to be work based and in the workplace to make them effective.

Q46 Ian Stewart: If it is to be employer led, as you all consistently argue, how are you going to guarantee that employers are committed to it and contribute to it? How do you maintain standards?

Mr Wainer: I do not think flexibility and quality are mutually exclusive. Mr Boswell asked how do we develop a strong apprenticeship brand. I think brands develop because people are confident they deliver quality and value for money. If a young person can see that an apprenticeship is preparing them well for a future career, is developing those wider employability skills, that is how the brands will develop. That is where young people and their parents will be confident that an apprenticeship is a good option for them.

Q47 Dr Iddon: The employers have not always been very positive about employing apprentices, have they? I can remember a time when I was responsible for a direct labour organisation. We had 42 apprentices for the construction industry. The construction industry itself had very few apprentices at that time. They relied on somebody like us lending out our apprentices to them after we had trained them.

Mr Wainer: It comes back to Matthew’s point. Employers are not there to educate young people. We need to ensure that there are more young people of all abilities, not just perhaps those deemed by teachers and careers advisers as less suitable for the academic route. If we get a higher quality of applicants into a lot of these apprenticeship schemes, I think a lot more employers will be interested in getting involved.

Q48 Ian Stewart: Did I hear you right? Employers are not there to educate people?

Mr Wainer: No. They are there to train people. There is a frustration that employers are delivering literacy and numeracy training that really should have been sorted out at school.

Chairman: On that note, could I thank Richard, Anne, David and Matthew very much indeed for starting us off this afternoon.
there has to be a way of doing both things, giving them the transferable skills and giving a benefit to the employer who has taken the apprentice on. The new blueprint will give us that opportunity to set a standard to allow those things that are transferable to be taught to everybody. Everybody learns certain things in their workplace. It allows employers to tailor the rest of the training to meet their own individual needs and that is the benefit for the employer as opposed to the benefit for the young person.

Q50 Dr Blackman-Woods: You said we should have a role in setting standards. Do you think the vocational educator should have a role in specifying apprenticeship standards?
Ms Mogel: The content and the skill level should always be employer led in terms of ensuring that the young person gets a quality learning experience. That is the role of the provider. The role of the provider is to meet the needs of both the employer and the young person.

Mr Dunford: It is not all about the employer. I have delivered thousands of apprentices over the years. If you explain to an employer properly that, if they deliver thousands of apprentices over the years, if the apprentice has a transferable skill, it is a good way of career enhancement, if it is done well, by a training provider or a college.

Mr Wilson: Exactly, and so they have genuinely transferable skills.

Q52 Mr Boswell: They are not suffering as individuals?

Mr Wilson: One of the most important reasons for the increase in attainment of apprenticeships and qualification rates is the inspection regime. The Adult Learning Inspectorate was staffed by people who had industry experience. The frameworks are set down. They are good in general and it was well inspected. It was a major competitive advantage to do so. That is why we have this catch all phrase of "apprenticeships". Within that framework, there is a myriad of different products from all the providers now. I speak as the chair of the Association of Learning Providers, that has always been working with employers in vocational training, some of our best known retailers and household names may have a very narrow specification for qualifications. As Dr Gibson said, people move careers and it is a case of explaining it. It does need to be employer designed. That is why we have Sector Skills Councils, but it is about the individual as well and their educational attainment.

Q51 Mr Boswell: Speaking as an entirely dispassionate outsider, I think occasionally the present Government misses out the union side of things. I think it is my painful role occasionally to draw that to their attention but, more seriously, we always talk about employer led but how do you bolt that relationship between your interest as it were and your interest also representing the individual young person and the employer to best articulate it?

Mr Wilson: It is certainly true that unions have an enormous role to play. Thanks for the question because it enables me to talk about that. To be fair to this Government, they have done an awful lot to open all sorts of doors and create structures and pathways to help unions play a much bigger role. That is very welcome. If I can add to the previous debate, it is very important of course that apprenticeships are employer led. We would not dispute that at all, but it is equally important that they match up to certain objective standards. If there is one really key, important aspect of this Bill which we think does help the learner, it is the assurance of some kind of objective quality standard. Employers should determine the content and the skill level and so on but the standard and the quality of that content needs to be something which is set and approved. In return, the taxpayer will then fund it.

Q53 Dr Blackman-Woods: How though can we ensure that quality is consistent across sectors if you go down the road of a lot of flexibility?

Ms Mogel: That already happens to some extent with other qualifications. There is a core element and an optional element to it. Those standards are set by the awarding bodies and by Sector Skills Councils and of course by Ofsted. I assume they will be participating in measuring the standards of apprenticeships. It does need to have an external eye on it. It is very important that employers understand that, when they take on an apprentice, it is not quite the same as taking on another form of employee because of those external bodies that are looking at the quality of the experience of that employee.
Q54 Dr Blackman-Woods: With all that diversity, is the Bill doing enough to ensure that employers actually provide good quality training?

Mr Dunford: I wish I had answered the question before: do we need the Bill? I do not remember anyone saying that we needed an Apprenticeship Bill before it happened. We assumed it was kind of there to make the National Apprenticeship Service work through primary legislation. In a way it is a bit of a red herring. The big issue is employer demand and building that demand. I think the demand is there if we get out and sell it, and very good information, advice and guidance for both young people and adults. The fastest growth in apprenticeships is with adults at the moment.

Mr Wilson: It is precisely because of all that diversity and variety and difficulty in a sense in being clear about what an apprenticeship is. That is why we need the Bill. It will set out some standards. It will set out a framework. It will make people give it a profile and a brand. All of that is very important. The previous discussion was about will it add to bureaucracy or not. In a way, you reduce bureaucracy by being clearer about what the brand is.

Q55 Dr Blackman-Woods: Is the Bill bringing in the changes that you want to see? Is it doing what it needs to be doing in terms of apprenticeships or not?

Mr Wilson: It is bringing in quite a few of the changes we would like to see certainly. We are very pleased to see a coordinated, central agency, a body which will raise the profile of apprenticeships, above all, as I said before, a body which will guarantee a bit of quality assurance, a bit of clarity about the brand. A lot of that in turn will help people to think more seriously about apprenticeships when they are at school. It will give them a better kind of standing, if you like, in that kind of market place. It will help encourage people to take a bit more broadly and imaginatively so that you might find some boys doing hairdressing and some girls doing engineering, for example. It will help employers to think a bit more imaginatively about apprenticeships so that for example, in the public sector, we will begin to see the public sector taking on far more apprenticeships as they should. We might see people using procurement levers a bit more imaginatively in order to try and get more apprenticeships at least considered if not actually taken up. In all those sorts of second order ways, we think the Bill probably will achieve a great deal.

Q56 Ian Stewart: This Bill intends to offer an apprenticeship through the Learning and Skills Council or its successors to every person who seeks one and is qualified to seek one. Does the sector have the capacity to cope with that?

Mr Dunford: Not at the moment. We have achieved 230,000 people on apprenticeships at the moment and it is a real success story. To get to the 400,000 obviously requires an increase in capacity. One of the biggest blockages on Train to Gain growth for adults, which is another issue about the Apprenticeships Bill confusing employers by the way, is the capacity of the system in terms of qualified assessors and trainers. There needs to be some capacity building in that. If we get people from a specific industry, that is largely what training providers do. They recruit people who are construction experts or engineers, retail or customer service experts and train them. That is where we need to invest to help achieve the Government’s targets and I believe the Opposition are quite pro-apprenticeships as well. There is not enough capacity in the system. There is a bit of a view that the employers are doing the training. They are in some cases, in the ones you think of that are traditional apprenticeships like British Aerospace, BT and so on. In the majority of cases they are not. They are supporting it and working in a tripartite relationship between the employer, the training provider and the individual.

Ms Mogel: The picture that is being painted there of private training providers is the same in colleges. The way that we are building up the capacity is to take people from the industry and train them up so that they can take on the roles of assessors and in some cases deliverers of learning. Similarly, colleges also have their own expertise in learning that they can bring to that party. I think the bigger question is: do we have enough supply to meet the demand. With the economic downturn, I guess all of us are finding now that demand is outstripping supply. I would not have said that a year ago. I lead a college in the north west and in the north west we have employers who have a cultural history of offering apprenticeships but I think the issue now is whether, particularly in the short term, employers are willing to take on apprentices.

Q57 Ian Stewart: How do you attract a young person into an apprenticeship rather than going into paid employment, which is the traditional pressure, or onto higher education?

Ms Mogel: In terms of 16 to 18 year olds, most of them have very limited opportunities for paid employment now, particularly in some industries where if you are unskilled you will not be employed. Obviously if they are 16 to 18 they do not have a higher education option so their options often are school or college full time or apprenticeships. Apprenticeships will attract a different audience, if you like, a different young person who is interested in going into employment and it is their only way into employment at 16 to 18. One of the keys to attracting young people into apprenticeships is about raising the esteem and the value of apprenticeships and letting them know that they exist. That is why I welcome in the Bill that information, advice and guidance are writ large there because that is a major issue. We have talked about three of the partners in making a successful apprentice. That is, the young person themselves, the employer, the provider of the learning, but there is a fourth one and that is the parent. One of the things that this legislation might do is say to the parent: “This is a product that you will want for your young person.”
Q58 Ian Stewart: In the analysis which both Sara and Martin have put forward, trade unions were not mentioned as partners. What do you have to say about that?

Mr Wilson: I think it is regrettable but we get used to it. Our view is that unions play an enormously important role on all sorts of levels, firstly in terms of quality assurance. On the shop floor the shop steward can make sure the apprentice is not getting a raw deal, they are getting the training they are supposed to get and as a result the quality they are supposed to get. At a higher level, there are all sorts of institutional mechanisms, the SSCs, the RDAs, the LSC itself where trade unions play a very important role. Again, we make sure that the quality of what is being offered to apprentices is not slipping back under these economics pressures. More broadly, the point Sara was making about the importance of raising the esteem of apprentices, that is absolutely true and a large part of what unions do is to go around banging the drum for apprenticeships as a very important, equally viable and equally attractive alternative to higher education. For a 16-year old, you are right, it may be more difficult to get a job these days, but if you are an apprentice, then thanks to the increase announced by the Secretary of State at TUC Congress, their minimum pay will go up from £80 to £95. The average apprentice pay is well over £150, £160, £170, so it is not such an unattractive option if you can get a good quality apprenticeship. What is really key, of course, is if that apprenticeship then genuinely leads on to higher education as a potential further route, then it is not as if you are closing off your options at 16 or 17 by going down one route rather than the other. Again, the unions have played an important role in all of that.

Q59 Ian Stewart: My last point is to you, Tom. Martin and I think Sara also said that the identified lack of capacity may be met by people coming off the job and into training, 20,000 going on 30,000 trade union learning reps, do you see any developments and any connection between the two?

Mr Wilson: Very much so. I think learning reps can play a very important role and their numbers are increasing rapidly and it is partly because they clearly meet that sort of demand. Obviously that is not going to be enough to meet the kind of demand we have been talking about, the increase that is needed, but they can certainly play a part and they can encourage lots more employers than you might think. Even employers who do not necessarily recognise unions, to think twice about the value of unions and the importance of having a union input.

Q60 Ian Stewart: Martin, do you think there is a potential for the trade union learning reps themselves who have an interest in the training side aspects also becoming trainers?

Mr Dunford: Absolutely and I am sure some do, I would guess. It is industry experience which is necessary to build the capacity.

Q61 Chairman: Can I ask you something very briefly before I move on to Dr Gibson. I raised the issue about programme-led apprenticeships with the last panel and you have alluded to that in questions from both Roberta and Ian. In large parts of the country, and I am talking particularly about rural areas, if you go down to the South West, Devon and Cornwall, or go to my part of the country, North Yorkshire, there are not major employers and they certainly are not in a lot of different trades. Is not the only way we can satisfy some of that demand to have programme-led apprenticeships, and how are you going to robustly defend that because all the employers dismissed it?

Ms Mogel: Part of the problem is programme-led apprenticeships are different in different parts of the country and therefore do not have an entity, a brand that an employer can recognise. However, if you say to an employer, particularly a smaller or a rural employer, “Would you prefer to take somebody who already has some employability skills or somebody who does not have any?”, they are undoubtedly going to say, “I’d prefer to take somebody with some level of skills”, and that is what programme-led apprenticeships were supposed to be about. I think they fill two other gaps: one is there are groups of young people who are not ready for work but would like to go down the apprenticeship route and this would give them a tailored programme rather than them having to do a programme which did not have them in mind; the second category it could fill is the transition between the foundation learning tier and an apprenticeship which probably will need something to fill that gap in between and, again, an access to apprenticeships would be that route. I think the concept is fine, but I am not sure necessarily we have sold that concept very well.

Q62 Chairman: Thank you very much. Martin, very briefly.

Mr Dunford: There are two sorts of programme-led apprenticeships and apparently the LSC was only allowed to have one extra name. There are those that are called “College-based” and there are those that are in work. The Association of Learning Providers is a broad church, so organisations, charities like Rathbone, YMCA and Nacro are all members. There is a role for what I would call a “work located apprenticeship” and I will try and promote that term, where it is not employed status, the vast majority of Apprenticeships are employed status. ALP are quite anti the whole college-based system but, as Sara said, we have not talked about the...
NEET\(^9\) Group and we have not talked about how you get into apprenticeships. There are plenty of work-ready people who are not Level 2 ready; there is a big gap there. We have got the Entry to Employment Programme which is very good if it is done well. We are not sure what is going to happen to that under the foundation learning tier, which is very qualification based, so that whole entry into apprenticeships and then progression is an issue. This is all déjà vu. In 2003 there was an end-to-end review of modern apprenticeships and all the same things came up, progression, portability, a matching service or a UCAS\(^8\) style attempt. At the other end of the spectrum we have people like BT and JTL who take on 10\%, 20\% of the applicants, so what happens to the other 80 or 90\%, no-one is picking those up and saying, “Okay, you didn’t get through on that apprenticeship, have you considered this option?”, and we are worried that they just get dropped. There is a role for a work-located, if you like, in a specified and controlled way. 

Chairman: Thank you for that. I think it is important to get your comments on the record here.

Q63 Dr Gibson: The Secretary of State, whoever, can approve core elements for every apprenticeship. Should these core requirements have elements which allow you to get into higher education, which you are very keen on, because I find it very difficult to think that Chris Patten at Oxford will ever accept the qualifications from apprenticeships? What are the core elements; is it Latin? What is it which is going to get people into higher education? What do you mean by higher education? It sounds good and I agree with it in principle, but let us get through the language and say, “What does it actually mean?”

Mr Dunford: There are foundation degrees now, for example, and at our last conference Foundation Degree Forward came and gave a talk and so on. Someone mentioned CBI about Level 4 apprenticeships. It is that technical, vocational higher education. They are not polytechnics any more, they are all universities and Chris Patten at Oxford might be at one end and maybe he never will, but I am sure other people might include this.

Q64 Dr Gibson: He will not!

Mr Dunford: I am sure he will not! Maybe you will at East Anglia or whatever, I do not know. Higher education is this catch-all phrase for beyond Level 4.

Q65 Dr Gibson: What are the core elements?

Mr Dunford: I am not sure. The underpinning knowledge is certainly very important.

Q66 Dr Gibson: Sara, what do you think the core elements might be for every apprenticeship?

Ms Mogel: I do think there has to be something which is sector related, the underpinning knowledge that the Sector Skills Council along with some of the network of skills groups that the Association of Colleges has, the union learning reps and private training providers should be able to come in for each sector. There are certain core things which an apprentice at Level 2 or Level 3 should have and at Level 3 should allow them to go on to a Level 4 or a higher education course. Some of those are very clear now and we do have higher education apprentices, particularly in engineering, that is a very common route. We must not think they are the sorts of people who are going to go into full-time learning at higher education, they are much more likely to go down the foundation degree route. We have to remember that even now in higher education, large proportions, nearly half of the people who enter higher education go a vocational route now and some of those will be apprentices. The issue is they tend to be very specific sectors and they do not cross the whole of the sectors.

Mr Wilson: I would agree with many of those comments. I do think it is important to recognise that Chris Patten does not speak for higher education.

Dr Gibson: He thinks he does.

Q67 Mr Marsden: Or even Oxford!

Mr Wilson: Or possibly even Oxford, yes.

Q68 Dr Gibson: He thinks he does!

Mr Wilson: To make the point more broadly, there are vast numbers of universities that already accredit prior experiential learning which will recognise all sorts of qualifications which may not be traditional academic ones and they are the kinds of universities which are currently actively now exploring how to recognise and award UCAS points for Level 3 apprenticeships. By the way, there should be far, far more being done on that but the beginnings of it are being done. To have a stab at answering your question, what might be the core elements, I would have thought it was possible to have sector specific Level 3 core elements which were about communication skills, numeracy, literacy, teamwork, motivational and organisational skills, all the things which many universities say now are what they are looking for from school or college entrants.

Q69 Dr Gibson: This has not been thought through. I could say mathematics, statistics and so on, all of which are very important, how much you need to know is an argument, but has this been thought through by anybody yet?

Mr Wilson: I think it is beginning to be and that is part of the purpose of this Bill, which is to concentrate a lot of energy and resources on those sorts of questions and make sure they are given the attention they deserve.

Q70 Dr Gibson: Do you not think you need a national curriculum before you have the Bill? Do you not really need to know what you are getting into, what you need, what resources you need? You are going to have people who teach as well?

Mr Wilson: Part of the purpose of the service will be to identify sector by sector what are the kinds of qualities that will be needed for Level 3 apprenticeships for them to be genuinely eligible for universities. Much of that work is already underway.
Q71 Dr Gibson: What about off-the-job training, should that be part of it too?
Mr Wilson: It could be.

Q72 Dr Gibson: You would say that off-the-job training would be too, Sara?
Ms Mogel: I think it depends on the sector, on the job and on the employer. We must not think that o
training would be too, Sara?

Q73 Dr Gibson: How does it differ from away from the work station?
Ms Mogel: Sometimes, for example, rather than you going to college, college can come to you in a variety of formats, either literally, as in a person, or through using technology. Sometimes that suits the needs of the employer and the apprentice better. In terms of progression on to higher education on to Level 4, because foundation degrees are written in conjunction with employers, they often give a very good route for a Level 3, an advanced level apprentice to go on to Level 4 and do exactly what you are saying. They are looking at the end point, this is what the foundation degree will need in order for you to be successful in it and therefore can trace back through. I think you are right, you do have to look at where you think the end point is. For some industries those routes do not yet exist and that is more of an issue than those industries that have a tradition of going on to HE.

Q74 Dr Gibson: Martin, is there a tension in terms of the training that somebody is going to get? Is it for the employer first and their development second or are you going to tell me it is half and half and because it can never be that?
Mr Dunford: No, there is a tension. Some employers, even large ones need persuading to take on apprenticeships or do training because they think this is a way of getting more girls into the workplace, women, say, in construction and engineering that was the route they could have gone on to. If we tackle it on many, many fronts and one of those will be to try and persuade employers who take on women, say, in construction and engineering that they can be just as valuable as boys. That will encourage girls because they are not daft, they can see they are going to get paid far more in engineering jobs and on the employer. We must not think that off-the-job always has to mean away from the job because it does not.

Q75 Dr Gibson: You do not have to answer this, but it is up to whoever forms this thing, the pathway has to be worked out for the individual and it is not at the minute.
Mr Dunford: It does, yes, and there is not enough focus on progression. Even the data for measuring how many people went on to university from an apprenticeship is not available.

Chairman: The whole business of guidance is absolutely crucial all the way through this, is it not, both for young people and indeed for adults?

Q76 Mr Marsden: Tom, can I come to you. In its World-Class Apprenticeships paper at the beginning of January of this year the Government talked about apprenticeships in England having serious diversity problems. I know you share that assessment because you have submitted a very detailed response to the draft Bill where you have particularly highlighted the gender gap. Do you want to say anything further about how the position of women might be affected by this Bill?
Mr Wilson: It is certainly frankly a bit of a scandal I think at the moment. The extent of segregation is astonishing, 98% of all construction apprentices will be boys and 93% of all hairdressing apprentices will be girls, something of that order. You do not find figures like that almost anywhere else in the entire education and learning system, so clearly we have got to do something about it and this Bill is the beginnings of doing something about it. The first thing, I think, is to start in schools and make sure that when teachers are advising 16-year-olds about where they might go and what their options are, teachers themselves are given some better training, advice and guidance about the wider range of options. The second thing, I think, picking up the point Martin just made, is that if apprenticeships can be seen as a route into higher education, then people might in turn begin to think of them as not something that is a dead end in itself. If you want, say, to go and do engineering, at the moment there are far more girls doing engineering at university than girls doing engineering as apprentices, so it may well be that it is a way of getting more girls into engineering apprenticeships if they can then think of going on to university.

Q77 Mr Marsden: There is a money gap, is there not, between what women and men get under the apprenticeship scheme?
Mr Wilson: Yes.

Q78 Mr Marsden: Is that a key element? It may be inequitable in itself, but is it an actual key element attracting people in?
Mr Wilson: I think it is both an element in itself and also a reflection of a wider problem, it is a presenting problem and a real problem. I think you have to tackle it on many, many fronts and one of those will be to try and persuade employers who take on women, say, in construction and engineering that they can be just as valuable as boys. That will encourage girls because they are not daft, they can see they are going to get paid far more in engineering.
and construction than you might in hairdressing. It will encourage more girl school leavers to consider taking up non-traditional apprenticeship. It is important also to remember the other side of that coin, which is persuading boys to go into some of the caring professions. History shows that the more men and boys who go into these sorts of things, the higher the wages tend to be.

Q79 Mr Marsden: Martin, if I can come to you. One of the other issues in terms of diversity is the under-representation of black and minority ethnic young people and, again, that has been identified particularly in some of the traditional craft-based sectors. Is that a problem that you recognise and, if so, what sorts of things can we do about it other than try to get quotas, which may be self-defeating?

Mr Dunford: They certainly are unrepresented. One of our board members, Dr Richard Williams of Rathbone, has written on this subject. Black and minority ethnic young people largely go to FE colleges and do not even look at apprenticeships.

There is a huge opportunity if we get the information and guidance right in schools because, I do not know if you are aware, the majority of apprentices we have do not come from school into apprenticeships, they are found, if you like, with the employer already employed. You could say this is a negative, but if you look at the opportunity to grow the numbers, if we get that information, advice and guidance right and talk about the grounding and the routes to higher education, we should attract generally more people from school into an apprenticeship and that should reflect more the population of the school. At the moment what we are reflecting is the diversity of the workplace largely, because most apprentices are signed up when they are already in work.

Q80 Mr Marsden: What you are saying comes back to this image issue, which Tom was talking about earlier in respect of men and women, there has got to be a vigorous attack at a much earlier level than even 16 in terms of promoting.

Mr Dunford: Yes, and I would not agree with Tom that this is the first time this has been tackled. I talked about inspection before and that is a major part of an inspection of a college or training provider, equality of opportunity and diversity and how that is dealt with at that inspection to do with apprenticeships or Train to Gain. There were 4% Grade 1s last time I looked.

Q81 Mr Marsden: Sara, could I come to you. One of the specifics that the draft Bill does talk about, clause 22 I see here, is to establish a national apprenticeship vacancy matching service for employers and apprentices, and we are told that this is going to be done through a national portal. Given that we have not had a great deal of success using the more traditional methods of people talking about these things, why is an on-line system going to help, or is it?

Ms Mogel: I guess this is one of the areas the Association of Colleges does have concerns about, not because we do not think it will add something to what is already there, but we are concerned that it might detract from some of the things that are going on properly. One of the things that actually does work now is the relationship between a provider and the employer, and that is something that has built up over time, it is not something that happens very quickly. Therefore, we might actually be able to grow apprenticeship provision because of the arrangements we already have with an employer. As Martin said, a lot of apprentices are already employed and become apprentices, so I think there is that element to it. That relationship is quite a precious thing that we would not want to see broken up. I am not sure that a national system is necessarily going to be very attractive to either the employer or the young person because by definition an apprentice is a local employer; there are exceptions to that.

Q82 Mr Marsden: What you are saying is it needs to be organic and local rather than national?

Ms Mogel: I do not necessarily think it is an either/or.

Q83 Mr Marsden: But you certainly should not just rely on it?

Ms Mogel: No, and I want to bring you back to an example where a pragmatic approach has worked really and that has been with Train to Gain and the brokerage service, where originally it was said that anybody who undertook Train to Gain had to go through the brokerage service. It became very clear that was going to slow up the process and make the process more bureaucratic. Now what it says is that is one of the ways you can contact Train to Gain, it is not the only way. As the Association of Colleges, we would like to see that sort of pragmatic approach to this new service.

Q84 Mr Marsden: Tom, Martin, very quickly, have you got any views on this national matching service? Is it practical or a gimmick?

Mr Wilson: We think it is both practical and a good idea. It is certainly not the only route in absolutely, it is a useful adjunct and, yes, 90% of the searches on that database might well be for local, but you still need a national system to be able to accommodate those because if you have lots and lots of little local ones, you would instantly run into all sorts of boundary issues.

Q85 Mr Marsden: Do you agree with that, Martin?

Mr Dunford: Yes, I think there will be problems; we have to start somewhere. There is nothing wrong having a national and being able to click on East London, York, Leeds or whatever and then find vacancies there.

Q86 Chairman: UCAS seems to work, does it not?

Mr Dunford: Exactly, and that is what we talked about in 2003, a UCAS-type system for apprenticeships which included—because I do not think the national apprenticeship matching service
does—taking people who are rejected from somewhere, picking them up and offering them something else.

Q87 Mr Boswell: Could I put a loop into this. You will be aware, I think, that Gordon, others and I were involved in a study on independent advice and guidance and we took quite a lot of emphasis in that on social networking. That is not a matching service, but is there a role for facilitating that kind of discussion, whether carried out by NAS or some other agency so people get a feel for what it is like to be an apprentice and the beneficial experiences they have had?

Mr Dunford: Absolutely, yes, and that is what young people use as well.

Q88 Dr Iddon: Is not the idea of the national matching service to break down these diversity barriers? For example, half the BME population in the UK lives here in this city and the idea of the national matching service is to encourage young men and women to move from this city elsewhere on an apprenticeship, but is the greater barrier, apart from them being members of that community, not the fact that wages will restrict mobility?

Mr Dunford: Wages for apprenticeships?

Q89 Dr Iddon: Yes. Who is going to be able to afford to move from London to somewhere else in the country? Sara, you mentioned that the North West had a big hand in apprenticeships in the past. Are we going to encourage people to go from the South to the North just because apprenticeships are available?

Mr Dunford: No. I do not think that is what it is designed for either. It is national, you could apply somewhere else, your family might be moving with you. One of the things we used to measure was reasons for leaving and some were “family moved” and if you were a 16-year-old, you went with them or the company moved, yes.

Q90 Dr Iddon: I can see that, but that is a very minor number of cases obviously.

Mr Dunford: Yes.

Q91 Dr Iddon: Could I ask all three of you what your experience as providers is of small, medium enterprises, SMEs? Do you find them difficult to get at in terms of persuading them to take on apprentices or is that the wrong impression? Could I perhaps start with Tom.

Mr Wilson: I must confess that unions are not over-represented amongst SMEs so our experience directly is not enormous, but I think we have picked up enough experience to know that many, many SMEs do find it genuinely difficult to take on an apprentice. Partly because of the way it is currently structured, they probably do not know very much about it, they are an employer who may not have many resources for training, they are not aware of all the different channels of possible funding and so on.

Q92 Dr Iddon: Sara?

Ms Mogel: I agree with what Tom said, but I think there is another aspect. I think medium-sized enterprises do contribute an awful lot to the apprenticeship programme. I think the small, mini and micro are the real problem. They have a problem from two points of view really: one from the employer’s point of view in that often there is an element of, “I don’t have time to do this properly”, as opposed to “I don’t have time to do it”; but there is also an issue from the apprentice’s point of view because sometimes the range of opportunity is just not there to achieve the framework. That is where group training associations can come in because they can go and get that experience somewhere else and I think that would encourage some of the smaller enterprises to participate in apprenticeships.

Mr Dunford: I think we are very good at generalising. I have met many SME owner/managers who have been extremely supportive of their apprenticeships and large companies which perhaps are not and are very focused on their narrow needs. It is like the buying decision a business makes in any case, they need to understand the cost-benefits, the benefits to them and, if they do that, they will embrace it. As I say, I do agree, though, that if the business is very small, you have to think of the individual maybe on their own. Most of us go through education or other experiences in a peer group very often and that can be quite important, so having two people doing it is far better than even one if they are on their own, someone to share experiences with. Certainly we try and avoid that and I would say it is difficult for micro-businesses, so I think group training associations have a role but they are very, very engineering-focused but, as I say, small, medium businesses where they value what is there and maybe if they do not know about it in the first place they can talk to another employer. I hate to use the word, but it is effective “selling” and demonstrating that this is worthwhile doing. Without that, we will never achieve our 400,000 and that has to be at the core of the approach.

Q93 Dr Iddon: Do you think providers are proactive enough in going out to particularly the small businesses and persuading them to take on apprentices?

Mr Dunford: I think so. Personally—this is not necessarily an Association of Learning Providers view—there should be individual targets for
different groups. In most businesses you would say, “What is the target for small businesses, medium businesses, large businesses?” I do not believe we have that, I think it is just a number of apprentices so if you get 5,000 in a very large plc, that is the equivalent of 2,500 employers with two Apprenticeships each, and maybe we should focus on and have targets for different groups in terms of size of employer as well as sectors.

Q94 Chairman: Only one in 10 businesses currently has an apprentice, so the actual target which the Government has is relatively small, if we turn more employers on to that.

Mr Dunford: I agree.

Chairman: The panel agrees. On that note of agreement, could I thank very much indeed Martin, Sara and Tom for your contribution this afternoon. Could we bring on our last panel, please.

Witnesses: David Way, National Director of Apprenticeships, Learning and Skills Council, and Marinos Paphitis, Regional Director, Learning and Skills Council, South East, gave evidence.

Q95 Chairman: Welcome to our last panel today, David Way, the National Director of Apprenticeships, Learning and Skills Council, and Marinos Paphitis, the Regional Director of the Learning and Skills Council, South East. Thank you very much indeed and I know you have listened to much of the session this afternoon. I wonder if I could start with you, David. In the introduction to the draft Bill it says, the Bill, “will provide new focused leadership for the Apprenticeship Programme. One particularly important role of the new service will be to expand the reach of the programme into sectors, regions, groups where apprenticeship take-up is presently low”, you have been a failure, have you not?

Mr Way: I do not think increasing the number of apprenticeships this year by over 20% compared with last year and increasing completion rates to the highest ever so it makes us comparable with the rest of Europe is a backdrop for failure. We have also introduced adult apprenticeships which have grown to about 26,000 and are catering for many of the people you have talked about in your questions.

Q96 Chairman: Why do we need the Bill then?

Mr Way: We need the Bill because, as other witnesses have said, firstly, we need to consolidate and put in legislation the importance of apprenticeships for the ambitions of the country, that is a very good thing for us to do, but also there are other things in the Bill which are important. We have not talked much so far about the rights of young people in order to secure an apprenticeship in one of two sectors of their choice, I think that is important. We have talked a bit about the rights to information, advice and guidance so that in schools in particular all young people get information about the full range of opportunities and that includes apprenticeships. We know from research that 80% of teachers in schools do not feel confident talking about apprenticeships at the moment, so this does a lot to consolidate the direction of travel, but particularly the entitlement and the consolidation of the work of the National Apprenticeship Vacancy Matching Service and the National Apprenticeship Service.

Q97 Chairman: Marinos, what differences will an employer or, indeed, an apprentice notice when the new National Apprenticeship Service is set up?

Mr Paphitis: The young people and employers already engaged may not notice a difference, this is about raising the esteem of these people.

Q98 Chairman: I am trying to work out why we are having this Bill because if it is such a success currently, as David says, and we are expanding so quickly, I do not understand why we need it.

Mr Paphitis: I think it is a great success but there is so much more to do, there are so many young people not engaged in apprenticeships, as we heard earlier, there are so many employers, nine in 10 not engaged in apprenticeships, so if we can get to those as opposed to the existing ones. If you are asking me, “Will it benefit an existing employer or a young person already there?”, then perhaps not, but if we raise the whole spectra of the entitlement to an apprenticeship by having the Bill, if we raise the profile, if we raise the quality assurance, if we protect the brand, which is very important, and we ensure that diversity is tackled, then we can do so much more. I do not think it is about failure to date, there is so much more we can do and I think the Bill will help us to raise the profile.

Q99 Chairman: How do we ensure the best people within the LSC at the moment transfer into the National Apprenticeship Service because the nature of the work it involves is going to be attractive to many people in that organisation, as will the continuing work with the Young People’s Learning Agency and the Skills Funding Agency. I would be confident that type of work is going to be appealing to many people because it is going to be locally based and directly dealing with employers. What this will mean is if you are an employer, you will know exactly where to go to get help with apprenticeships, information and specialist advice to get you on to an apprenticeship. If you are a young person, you can use the Vacancy Matching Service and be confident that the National Apprenticeship Service is working with schools, Connexions and other advisers to make sure that you are given the best possible information to make the right decision for you at 16, 17 and 18.
Q100 Chairman: David, what struck me about Martin Dunford’s comments—I do not know if you were in the room when he made his comments—which I had not appreciated, most of the current apprentices are coming from people who are in work and who are then being converted to apprenticeships. They are not these new people who are coming at 16 because we have heard real problems about the career service in schools, etcetera, turning people on or at 19. How will the new Apprenticeship Service make sure that people in work who are getting training (a) get converted to the Apprenticeship Scheme but (b) also get quality? Is that something you have missed?

Mr Way: I do not think so. Martin makes the point, and I have heard Martin make the point before, because we tend to think about apprenticeships as all being recruited and he makes the point that quite a few have been there.

Q101 Chairman: He said the majority.

Mr Way: Yes, it is the majority, but that is not to say that there are not still many thousands and thousands of apprentices who are recruited. When I talk to employers, they are increasingly thinking about offering apprenticeships as a recruitment tool. Even those at the moment who are taking people who are in work and converting them to apprentices, when I talk to them they say, “How much more could you bring to this by bringing people in and saying ‘Come in, work for me, I will train you properly’?” I think this is going to be dynamic. Where we have got providers already working successfully with employers and employers are happy with the quality of the service they are getting, there is not a role for the National Apprenticeship Service other than ensuring that the quality of that experience is maintained. I do expect employers from time to time to come back to the National Apprenticeship Service if they want to think about broadening those people in their workforce who they are working with or moving to another provider. That is a service which the National Apprenticeship Service can offer.

Q102 Ian Stewart: David, this Bill will give a guarantee of a couple of choices to a young person who qualifies for an apprenticeship. How is the Learning and Skills Council going to manage demand when it outstrips particular apprenticeships or if there is a downturn in the economy or if there are no places available? How are you going to manage that?

Mr Way: There are two parts to that. If I could put the second one as being the downturn in the economy and what we do to manage that and the first part is about how can the LSC manage the supply of places. I think this is a part of the legislation which needs careful framing because, of course, ultimately it is the employer and the individual who come together in order to offer an apprenticeship. The Learning and Skills Council does not employ very many apprentices, the majority of staff are out there. It is important that the Learning and Skills Council and the National Apprenticeship Service have a responsibility placed upon it. One could use the phrase ‘best endeavours’, something a bit stronger than that, but I do not think you can reasonably place on the Learning and Skills Council something which it cannot make happen. What it can do is it can encourage it, it can drive up demand, it can work with employers, it can stimulate, all those things, but it cannot be the employer at the end of the day, so a responsibility, yes, but we have got to frame that correctly.

Q103 Ian Stewart: I am perplexed about this aspect of offering a person two apprenticeships, that complicates it even further, does it not? How do you do that in rural areas, for example?

Mr Way: First of all, let me be clear, the National Apprenticeship Service will be trying to give that young person an apprenticeship in the framework which is their first choice and the sectors are relatively widely described so that you have got some prospect of that. There will be occasions when you will have to have a talk with young people about what is a reasonable expectation in a particular locality, whether that might mean the possibility of moving, trying to strike the right balance between reasonable expectations and what is available, but the NAS field force on the employers’ side will be responding all the time to the unmet demand from young people and saying, “Look, here we’ve got lots of young people working with the local authorities, working with Connexions saying ‘where is the demand for this’”. This is going to be a focus for the National Apprenticeship Service to focus its efforts to produce vacancies in those areas.

Q104 Ian Stewart: Have I got it right, the key here is the Learning and Skills Council or subsequent body and the person seeking an apprenticeship may be ready and enlightened, you can take the horse to water, but is it the employer who is the difficult part?

Mr Way: We have always got to be balancing supply and demand here and working on both sides, but there is no doubt that what we need to do is increase the number of good quality employer apprenticeships and you get queues of young people for those. In looking at how we might deploy LSC/NAS resources in the future, my priority at the moment in planning this and thinking about it is definitely on the employers’ side because if we can produce more vacancies, we will get young people coming through. We must not neglect ensuring that good quality young people get the right advice and come through, but given a choice between the two, it is the vacancies we need.

Q105 Ian Stewart: Marinos, at the regional level, do you have strategies for encouraging employers?

Mr Paphitis: Absolutely. We have got to work with providers as well as employers and young people in schools to try and get that balance. In any given year it will not be perfect but the information, advice and guidance which young people get and the information which is available through the new Vacancy Matching Service will go a long way
towards helping on the point that you are raising. Young people are very good at finding out for themselves through using information technology now, and they are very smart at that, they will be able to see for themselves the multitude of vacancies that are available in their region, in their sub-region and in their town and will get a very good idea of what might be available for them. Earlier witnesses explained that perhaps with some very big employers they only take one in 10 of the people who apply. Those young people are still interested in apprenticeships and so by having the information, it will give them an absolute chance to have another look at what else might be available, something I think currently we miss.

Ian Stewart: I understand all that and that is good stuff, but there is something here that I am missing. My understanding is that this draft Bill, if it is passed, will place a responsibility on the Learning and Skills Council to provide every person who qualifies with an apprenticeship.

Chairman: A choice of two.

Q106 Ian Stewart: A choice of two, yes. If you are doing everything you need to do and the apprenticeship work is not available, how can you meet that commitment?

Mr Paphitis: I think David hit on that, it is the way it is framed. You cannot have an apprenticeship without an employer and a young person. We can do a lot to bring all those things together, so the more vacancies we can generate, the more interest in schools, the more young people who come forward, the better the market will work. What we cannot do is force young people on an employer or an employer on a young person, so what we must do is provide the market, be the market maker in terms of supporting the opportunities for young people and ensuring that employers put their vacancies on the system. By doing that and by giving young people the opportunity to have a look at what is available, I am sure that will give them an opportunity to look at more than two vacancies. By no means can we guarantee that they will get one of those options.

Q107 Dr Blackman-Woods: How do you think the National Apprenticeship Service is going to be marketed to employers?

Mr Paphitis: Through a number of routes. For a start, let us be clear, most employers currently working with apprenticeships work through training providers, so training providers will have a major role in ensuring that employers understand what we have got and they understand the benefits, for instance, of the Vacancy Matching Service and they use it. Without providers supporting employers to do that we will not have that part of the market made up, so I think providers are a fundamental tool in terms of promoting to employers. We need to do a lot more giving marketers marketing campaigns also to attract those nine out of 10 employers who currently do not offer apprenticeships, so there is another route to market which is directly those employers and the National Apprenticeship Service will have a role in that. We have never had one before, so I think it will be a major benefit in terms of getting more employers.

Q108 Dr Blackman-Woods: You do not think it is going to get in the way of direct contact with employers?

Mr Paphitis: Absolutely not, no. On the contrary, I think we may well have more employers looking directly at apprenticeships rather than through other routes.

Mr Way: Can I make a brief point on that. One of the things we are able to do is open up areas where employers are not offering apprenticeships at the moment and there are quite a few of those; I guess the best example would be the public service. Wherever we look, I think there is a combination of two things which are key: one is leadership and so identifying the local authority leaders, the local authority chief executives to get this across to people and, secondly, in the engine room, if you like, making sure the people who want to offer apprenticeships are able to get case studies, materials, all the information they need so they can then drive the whole process forward underneath that leadership. There are still masses of sectors where we can make real progress in that so that employers find the right frameworks and find something which is right for them.

Q109 Dr Blackman-Woods: That is interesting. What relationship do you think it is likely to have with local authorities?

Mr Way: I think close because with local authorities we have got two or three things happening here. Clearly local authorities have got the strategic lead for up to 19 and that is an important responsibility. They have got the leverage over a lot of other key strategic partnership through local partnerships so that they can exercise their own leadership on that community to take on apprenticeships, but crucially their role as employers. As I go up and down the country, I see some local authorities that are really, really good at this and some local authorities that do not do it at all. It is obviously possible for local authorities to do it, so if we can bring those leaders of the local authorities who are doing really well up and down the country with those who are not, I think there are some real wins there. It does help with this entitlement because public services, as we know, are often the biggest employer in some localities, so I think it is absolutely crucial.

Q110 Mr Marsden: On that point, David, leaving aside—and it is a big leaving aside at the moment—the current economic downturn, are the targets there to be met in terms of offering apprenticeships not going to be virtually impossible to achieve without a substantial engagement with the public sector? What have you been able to do so far and what are you going to be able to do via Gus O’Donnell and various other people to make sure that government departments step up to the plate in this respect?
Mr Way: I think we are seeing, of course, as a more public sector champions who are driving that particular agenda forward and a number of letters have gone out to the leaders of government departments to say—

Q111 Mr Marsden: It is not letters you need, it is bottoms kicking.

Mr Paphitis: We have been working very closely with the people who have had the letters. I have got examples of very big local authorities in my patch in the South East, Kent for instance, which are now saying they will take on 300 or 400 apprentices and they are the biggest employer probably in Kent. The Civil Service is another one where I am working with the local Government Office for the South East, with all the Civil Service departments, to say, “What can you do and what numbers can we put on it?” I agree, it not just letters, we need action and we are taking action.

Mr Way: I think we are changing the culture in a sense. If you are in a leadership position in the public service and you are not responding to the apprenticeship agenda, then you are rapidly finding yourself in the minority.

Q112 Chairman: You will not forget the Health Service?

Mr Way: No, we are very much working with the Health Service.

Q113 Mr Boswell: We have heard quite a bit today about diversity and about access which is rather wider than diversity. I just ask a general question first to you both. What measures are the NAS going to use to gauge whether they have succeeded or failed? Is this bums on seats or is it something more than that?

Mr Way: I think measuring the progress and monitoring the progress is important in this context and I do not think you are suggesting it is not. Where we really are with this is to try to find ways that work and there are in World-Class Apprenticeships some proposals which we think are very good proposals about trying to create a critical mass in particular sectors. I am particularly keen on mentoring for atypical learners—it is a horrible expression, I know—but I do think being an apprentice and taking a route which is not the typical route that is taken can be a pretty lonely experience. I am very keen on using social networks and the web we talked about before to link people together through organisations like Horse’s Mouth which do similar sorts of things to make people feel as though they are not on their own, they are part of a change here, they can network with the people who have been down this route, often a lonely route as I say, successfully and draw strength from that. That is one of the important things I think we would want to do.

Q114 Mr Boswell: I think I am harking after the right kind of metrics as well, Marinos. Are we looking at numbers or are we trying to get a better overall measure? Can we use qualitative measures as well?

Mr Paphitis: We always have to look at the numbers. I think it is very important that we can demonstrate over a long period that we have had more and more young people from diverse backgrounds entering apprenticeships, but I think entitlement is the key one. We have heard earlier that many young people from black and ethnic minorities go into college or other learning rather than apprenticeships. It is crucial that they can see the matching service reaches all young people, not at 16, at 14 and 15 when they are making key decisions, so that they know that these opportunities are available.

Q115 Mr Boswell: As part of IAG? 11

Mr Paphitis: Absolutely. Within schools all young people are aware of the A level option, diploma option and the apprenticeship option and not the dead end job option, so that when they come into the programme then we can start to measure progress. While we have seen some progress, I think tackling them at 14 and making sure that young people from all communities and both sexes have access to apprenticeships will mean that the numbers will then start to look much better.

Q116 Mr Boswell: Two other thoughts. One is what you might loosely call “pre-entry qualifications”. Do you need some rules to satisfy yourself that the entrants are of high quality or is that something the market can sort out? Conversely, are you maybe looking at the public funding side, wanting to restrict funds if employers are not, as it were, offering a broad offer? There are lots of leaders in government like the public sector duties, for example. If people are picking and choosing in a way which is actually subversive to the national interest, are you going to take an interest in that?

Mr Way: I think one of the things we certainly are doing is that any additional money which is going into the apprenticeship system at the moment and into the trails in World-Class Apprenticeships we are encouraging employers to train more apprentices than they need immediately, but certainly looking to ensure that produces a real dividend across the piece. We are not looking for more of the same, we are looking to achieve some other goals in all of this. I think that is particularly important. We do try to take those opportunities when they come.

Q117 Mr Boswell: Presumably, as the NAS develops—it is early days yet—you will be looking at a portfolio of statistics which are relevant to this. The ones I have listed here: entrants, retention and completion, where people go and destinations, qualifications, going on, progression, further and higher study and carrying on in a job, are those the sorts of things? Is there anything else you would like to add to that list?

Mr Paphitis: They are exactly the sorts of things we should be collecting and we do try very hard. In some cases it gets difficult once they leave a particular activity, they move on to another employer but generally we do collect those things.

11 Information, advice and guidance
6 October 2008    David Way and Marinos Paphitis

Q118 Mr Boswell: Perhaps we need to give them a bit of an inducement to make sure they keep a relationship.
Mr Paphitis: Of course the more young people that complete their qualification, the easier it is to collect.
Mr Way: To link back to one of the earlier points, I think one of the big differences that can be made is to see growth in apprenticeships in London but also similarly in other conurbations. I think that can make a huge difference.

Q119 Mr Boswell: And loops back into diversity.
Mr Way: Yes, and I mentioned the 25 plus, the adult apprenticeships. We have seen very good results for women returners and BME participation. There is very much a strong theme of second chance learners, people whose lives have settled down in their late 20s and 30s. We need to do some more evaluation on that, but that is looking very encouraging.

Q120 Mr Boswell: Last question. Quality, how are you going to measure it? It is an objective alongside the numbers game.
Mr Paphitis: There are a number of indicators, are there not? It is not just the achievement, it is jobs, it is progression.

Q121 Mr Boswell: In a sense—I am thinking aloud—the other indicators which I listed for the record, as it were, are the sorts of metrics you use to measure the quality on and just remind me, what about inspection as well? How is that?
Mr Way: Certainly Ofsted inspection plays very strongly.

Q122 Mr Boswell: The NAS will work with Ofsted and take into account its findings?
Mr Way: Yes. You slightly glossed over completions—I know it is one on the list—but I do think the improvement in completions from around 30% to over 60% is one of the success stories. We absolutely need to build on that and within that look at those sectors which have been stubbornly low because clearly the mechanisms we have used to change the rest of the sector are not working in sectors like hotelling and hospitality, so we need to look at more creative solutions in those too.
Chairman: First of all, thank you very much indeed, David and Marinos. I am sorry that has been a very, very sharp canter, but we have only two sessions to be able to do this work on the draft Bill and we do, in fact, want to make a positive comment. Thank you both very much indeed and thank you to my colleagues.

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12 Black and minority ethnic
Monday 27 October 2008

Members present:
Mr Phil Willis, in the Chair
Mr Tim Boswell
Dr Brian Iddon
Mr Gordon Marsden
Mr Rob Wilson

Witnesses: Lord Young of Norwood Green, a Member of the House of Lords, Parliamentary Under Secretary of State for Skills and Apprenticeships, Department for Innovation, Universities and Skills, Jim Knight MP, Minister of State for Schools and Learners, Department for Children, Schools and Families, and Stephen Marston, Director General of Further Education and Skills, Department for Innovation, Universities and Skills, gave evidence.

Q123 Chairman: Could I welcome to this, the final evidence session of the IUSS Committee’s examination of the draft Apprenticeships Bill 2008, and indeed congratulate him on his new appointment, Lord Young of Norwood Green? We welcome you to the Committee and congratulate you on what is an interesting appointment in the Lords. We also welcome Jim Knight, the Minister of State for Schools and Learners in the Department for Children, Schools and Families, and last but by no means least, an old friend of the Committee, Stephen Marston. It is very nice to see you back, Lord Young, why on earth do you need this Bill?

Lord Young of Norwood Green: We have had that question before and it is a reasonable one. We believe the raison d’être is that it gives legal effect to the apprenticeship entitlement, which is contained in clause 21, and that is a high level duty for the Learning and Skills Council to ensure that there is a place for every suitably qualified young person who wants one. It gives statutory effect to apprenticeships, ensures the high quality and integrity of the apprenticeship programme, it establishes the programme as employer-led, an important—

Q124 Chairman: I know, but, with respect, Lord Young, all that could have been done quite easily, without a full bill. You could have tagged a couple of clauses onto any passing piece of legislation if you had wanted simply to put in that formal structure. Does it not now appear that every time you want any change to the apprenticeship structure you have to go back for primary legislation?

Lord Young of Norwood Green: There are two things. First of all, we do not think it would have been the right thing to tag it on to anything else. We do think that in the light of the Leitch Report1 and the importance of the skills and apprenticeships programme it does merit a piece of primary legislation, certainly for the first couple of reasons that I laid out for you. It emphasises the legal nature of this in relation to apprenticeships, so we believe it does merit it. We do not think that every time there are any further changes we will need primary legislation. I think we can take it that within the Bill there are enough powers for the Secretary of State to give effect to any further change that might be required.

Mr Marston: That is right. The things that we think may well need revising tend to be in the secondary legislation. What we are trying to set up here is a long-term stable framework for ensuring the growth and quality of the apprenticeships programme. That should not change. On the contrary, what we are trying to do for the very first time is give statutory force and backing to that framework in order to position apprenticeships as a permanent part of the education and training landscape.

Jim Knight: If you look at it in simple terms, which helps me if nothing else, you have got the specification of the standard. That is variable by clause 13 by order. You have then got the framework, and that is really quite a flexible thing. Obviously, there is some legislation there, but the framework is developed by the Sector Skills Councils and employers, and then you have got certification. The bit that would really burden this would be if we were specifying the standard in detail in primary legislation that we then could not vary by order.

Q125 Mr Boswell: Can I ask a question about Wales? I have a Welsh educational involvement myself to a limited extent, which tends to be the statutory question on this. We made some enquiries of the National Assembly and also the Welsh Affairs Committee here, and I think it would be fair to say on their evidence that they really want to know how the legislation is going to work. Frankly, we had a similar problem when the FE2 legislation went through and there were some queries about that. I am sure it can be made to work, but, given that there are these doubts, I suspect this may reflect a failure to consult adequately with the Welsh Assembly. Do you think you have got through that now? Are you on track with them and are you going to produce something which will be aligned with their interests and requirements? If I may just say, and it may save a point later on although I think the Chairman may want to say something about this, they have, for example, an ability to offer a portfolio rather than a

1 HM Treasury, Leitch review of skills: Prosperity for all in the global economy—world class skills Final report, 2006

2 Further education
specific set of qualifications. Is that kind of thing going to cause some unease, although I am more concerned now with the general issue?

Lord Young of Norwood Green: It is up to the Welsh Assembly to consider it; that is the first point, but are we on track with them? Yes, I believe we are.

Q126 Mr Boswell: Why do you think they did not think they were, or do you think this was just a misunderstanding?

Lord Young of Norwood Green: I was not aware that they did not think they were, but I suppose in any consultative process there are bound to be misunderstandings.

Jim Knight: Obviously, there is discussion going on between us as to which aspects of the Bill they would want to be a part of. The current state of play is that they would want to be a part of the majority of it, but there are aspects of it, for example, clauses relating to IAG and to the entitlement, which they do not consider to be something they want to pursue in Wales, and that is fine, but some of the fundamentals about the apprenticeship programme, and, crucially, the way apprenticeships are designed and the way they can move across the border, across Offa’s Dyke, we will be doing for England and Wales and I think that is quite important.

Q127 Chairman: There is an issue within the Bill that Wales is virtually never mentioned other than in the title and yet the provisions of the Bill will apply to Wales. There does not seem to be any recognition that Wales in many ways has been ahead of us in terms of developing the framework for apprenticeships. Why is that?

Jim Knight: To some extent it is a creature of a draft bill and the timing of parliamentary business. Obviously, you could take more time in coming up with a firm draft where you have ironed everything out with Wales and the Welsh Assembly Government, or you can publish the draft Bill and have this sort of scrutiny, while we carry on our discussions with the Welsh Assembly Government, and then once it comes into something that is then introduced into Parliament, obviously, we will at that point have to be clear with our friends in the Welsh Assembly Government which bits they want and which they do not.

Chairman: Okay, that is a very fair answer.

Q128 Mr Marsden: Lord Young, could I warmly welcome you to your new position, both as a member of this Committee but also as Chairman of the All Party Parliamentary Skills Group. Obviously, in that capacity I have looked quite closely at the list of responsibilities you have, which I gather include the Sector Skills Councils. Clause 26 of the proposed draft Bill would require the Secretary of State to specify sectors of skill, trade or occupation for the purposes of the legislation. I was just wondering whether you could give us some examples of how that might happen, but, perhaps as importantly, whether this cuts across in any way the process of re-licensing of Sector Skills Councils that is currently being undertaken by the UK Commission for Skills.

Lord Young of Norwood Green: I do not think it cuts across the re-licensing. I think that is a separate activity. Can you just restate what you said about the specification so that I am clear?

Q129 Mr Marsden: My understanding is that clause 26 of the Bill requires the Secretary of State to specify sectors of skill, trade or occupation for the purposes of the legislation and I was just wondering if you could give us some examples as to how that might happen in relation to apprenticeships.

Mr Marston: Our expectation is that we will use the framework of the Sector Skills Councils. We have 25 Sector Skills Councils now. They are already developing the national occupational standards that drive the apprenticeships frameworks. Our assumption is that they will carry on with that primary role in defining the apprenticeships frameworks for each sector. The reason it does not state that goes back to the Chairman’s comment that it is possible that there may be an apprenticeship framework you want outside of the Sector Skills Councils network and so we are expecting to use the Sector Skills Councils 25 structure but this allows us in exceptional cases to do it a different way if we need to. On the re-licensing, we have said that we will consider proposals for changing Sector Skills Council footprints, the definition of the sector that they cover, as part of re-licensing if people want to put forward proposals for different and better footprints. We are not assuming that that will necessarily happen. If it does then the new licensed Sector Skills Council with its newly defined footprint will take on the role of occupational standards frameworks for its new sector.

Q130 Mr Marsden: Just to be clear, you do not see the provisions of clause 26 having any implications for either expanding or contracting the existing number of Sector Skills Councils?

Mr Marston: No.

Chairman: One of the things as a Committee we were very enthusiastic about was this entitlement to an apprenticeship, Lord Young, particularly for young people, and perhaps you might want to start with this, Jim. I will ask Tim Boswell if he would like to follow up on how this is going to be done.

Q131 Mr Boswell: Can I just ask the legalistic question first, which is, is this right to be offered an apprenticeship something that is going to be enforceable in the courts? If a young person wants to be an apprentice and is refused that, for whatever reason (I am not seeking to canvass that but it might happen), will he or she have legal redress and can they sue and, if so, do they sue the LSC or its successor or the Minister but, I presume, not the employer? What happens?

3 Information, advice and guidance

4 Learning and Skills Council
Jim Knight: Although I am not a lawyer, the legal advice that I have been given is that the effect of this clause is that technically the duty applies to the Learning and Skills Council or the successor organisations and that, yes, there would be the ability of the individual to pursue through the court a failure of the Council to fulfil its duty as set out in clause 21. I think in practice, like, for example, the duty on a local authority to ensure there is proper provision for every child and every learner to go on until 18, which is another piece of legislation, having that as the last resort is the driver to making sure that the authority does the job. Nobody is expecting there to be a huge number of court cases as a result of this. It is just that you have to have something that is the last resort in order to change the behaviour.

Q132 Mr Boswell: I will accept that. Is there any differentiation in relation to the skill or competence of the apprentice? They will have to meet certain entry conditions for the framework. Supposing they cannot meet any of those, whether it is because of learning or other disability. Does the duty fall? What happens then?

Jim Knight: Yes, there are entry requirements in respect of the entitlement and it is quite important to understand that there is a difference there between entry to the entitlement and entry to apprenticeships. For example, you could go on to go into a Level 3 apprenticeship with three GCSEs A*-C equivalence even though the entitlement would say that that only kicks in when you have got five, so there is that difference. In respect of those with the SEN, Stephen might be able to help me out.

Mr Marston: I will try. It will depend whether the nature of the SEN means that they do or do not meet the entitlement conditions.

Q133 Mr Boswell: They have an entitlement, do they?

Mr Marston: Yes. If they have a particular form of SEN but still meet all the qualifications and other requirements the entitlement is triggered and then all of the wider legislative protections around disability will apply.

Q134 Mr Boswell: I just wanted to ask one other question about the distribution issues. We will do one which is double-headed to save time. Rurality or distance—it is not going to be much use if, say, one of our children is offered an apprenticeship in Northumberland if they are 350 miles away. Is there an understanding that it has to be within a reasonable distance?

Jim Knight: Yes, and we all know as law-makers that “reasonable” is often used in law. You will see in clause 21(2)(c) that it says within the person’s reasonable travel area. How that would be interpreted I think depends upon the nature of the apprenticeship they are interested in pursuing and they will be specifying two sectors that they want to pursue apprenticeships in. For example, if they were living in rural Northamptonshire and they wanted to pursue an apprenticeship in marine engineering then it is different from plumbing or hairdressing, in which case you would expect it to be within reasonable travel distance of home.

Q135 Mr Boswell: My final question is the other one: what about programme-led apprenticeships? British Chambers of Commerce are very leery on this. Perhaps Lord Young would like to oblige us. Do you think there is a case for them continuing? Are they a second best or are you seeking to phase them out?

Lord Young of Norwood Green: They do not come within the meaning of what we define as apprenticeships because there is not a contract of employment with the employer, so we want to be absolutely clear that if it is going to be an apprenticeship under this definition there has to be an employment contract.

Q136 Mr Boswell: So any provider of a programme-led apprenticeship would not be able to offer it as an apprenticeship?

Lord Young of Norwood Green: Not as an apprenticeship, no.

Q137 Chairman: Jim, in terms of this subsection (2)(c) that you just mentioned, which says “within the person’s reasonable travel area”, that is a massive cop-out, is it not? Will you define “reasonable travel area”?

Jim Knight: As I say, there is that difference between different sorts of apprenticeships. When you are setting this out you have to do so in a way that is sufficiently flexible to cope with not just well over 100 apprenticeship frameworks that we have at the moment but also that we would want the National Apprenticeship Service to be able to develop in new sectors and new areas. You will understand that in Harrogate there will be some that are like Dorset, where you would expect hairdressing and plumbing and electrical, the care sector; there are some that are pretty much universal economic activities that take place all over, and so my definition of a person’s reasonable travel area is that they would be available locally to them.

Q138 Chairman: So if a student in Harrogate, seeing as you mentioned it and not I,—

Jim Knight: I am trying to relate to you.

Q139 Chairman: For instance, to do an apprenticeship in fishing, which is perfectly reasonable because the east coast has a number of fishing ports, you would regard that travel of roughly an hour and a half to two hours as reasonable, each way, each day?

Jim Knight: Ultimately, technically it would be for the court to judge and people who are commissioning and making those decisions about reasonableness will have in mind what would stand the test in court, if it ever got there, but yes, you may make provision for them to be able to travel, perhaps not on a daily commute, perhaps on a weekly commute, in order to be able to access that apprenticeship.
Q140 Chairman: I was hoping you would say that because nowhere in the Bill does it say that there will be a duty on the Secretary of State through the various organisations to provide accommodation support for those living-away-from-home costs. Lord Young of Norwood Green: We are clear that we are offering a choice between two sectors, not specific occupations. What we cannot guarantee is that there will be opportunities in all occupations in all locations of England, for example. We just could not meet that. Our task is to maximise the number of apprenticeships that are available, which is a fair old task in itself, and offer what we think is a reasonable choice. If the two sectors do not meet either the particular requirements or choice of a young person then they have a difficult choice to make, but that applies to any young person’s decision about how far they want to go to pursue a particular vocation.

Q141 Mr Wilson: As I understand it, the Government wants to put the employer right in the driving seat of the whole apprenticeship system. Indeed, we had evidence from the Chamber of Commerce weeks ago that they should be right at the heart of the system, so what does this still do when you take into account that businesses want freedom from all the red tape, the costs, the multiplicity of agencies they have to deal with? How does this Bill deliver those things that business actually wants?

Lord Young of Norwood Green: First, yes, we do believe that they should be employer-led; they should relate to their requirements. Again, it harks back to what I said. If we want to maximise the number of apprenticeships it needs to be demand-led. Are there any parameters? Yes, there are, in terms of the fact that any framework that is agreed between a Sector Skills Council and employers will have to fit in with the blueprint of the Learning and Skills Council, which in itself in this Bill is going to be made more rigorous. That is one aspect of it.

Q142 Mr Wilson: I want to know about the obstacles to business. Lord Young of Norwood Green: You want to know about the obstacles, absolutely. We do want to remove the red tape. One example of that was a requirement to keep records on apprentices for six years. It is intended that that should go. In terms of assisting employers with removing the burden of administration, again, we would hope that skills brokers would be able to do that, so a one-stop shop, if you like. If they approach the skills broker and it is clear that there is an apprenticeship requirement then they would be referred to the National Apprenticeship Service which ought to be able to meet all the requirements. There is also the vacancy matching service. Trials on that are taking place and that would ensure that apprentices who were looking for apprenticeships were matched with employer vacancies, so we think there are a number of areas where we will be making it simpler for an employer to find out about but also establish apprenticeships.

Mr Marston: The consequence of that is that there are some components of this draft Bill that are designed very much to help employers, particularly by saying, as we touched on earlier, that an apprenticeship must always contain an employment relationship. The point about bureaucracy though not in the Bill itself, is in the way we put all these provisions into place, and there is absolutely a commitment to make sure that that is simple and streamlined and responds to those concerns from the BCC6 and others.

Q143 Mr Wilson: It is very expensive to train people these days and apprenticeships are a very big commitment for businesses. We have got evidence from Network Rail that it costs about £60,000 to train an apprentice over three years. The business is going to want a pretty good return on that sort of investment. Again, how does this Bill deliver a return on investment for all that cost commitment? Lord Young of Norwood Green: The evidence is that it does. It is a pretty detailed analysis. You started off from the aspect of the SMEs.7 I presume, when you were referring to the British Chambers of Commerce there are other arrangements, for example, the Group Training Associations, where they can pool the responsibility, if you like, for apprenticeships, so that is one way of keeping the cost down, and then draw from that particular pool. Certainly the analysis that we have had done on what they call the net present value has demonstrated that it is very worthwhile to employ apprentices, and the overall analysis for companies is that their chances of survival in these difficult times are about 2.5 times better with a better trained and skilled workforce.

Q144 Mr Wilson: Where is this analysis? Is it an internal departmental thing or is it something we have? Mr Marston: I think some of it is in the impact analysis. There is other published evidence about the effect of training on business bottom line and survival rates.

Q145 Mr Wilson: The Chancellor told us at the weekend that we are about to enter a recession, if we are not already in one, that will be deep and prolonged, as he put it. What impact do you think that might have on a business-led apprenticeships system, as is proposed in this Bill? Lord Young of Norwood Green: Clearly, businesses have to believe that their chances of survival will be enhanced with a better skilled workforce, and that taking on apprentices will benefit their business rather than be a burden to it. We do genuinely believe that, but we do not discount the fact that it is going to be a somewhat harder task in the current situation. However, we ought to put it in context. We have already made significant progress on driving up the number of apprenticeships, so we do

6 British Chambers of Commerce
7 Small and medium-sized businesses
not believe it is an impossible task, but neither are we underestimating the effect of current circumstances or the impact on businesses.

Jim Knight: Clearly, there are a lot of things that are difficult to predict as we look forward on the economy, but it is probably fair to predict that in terms of demand for apprenticeships that might increase as a result of an economic downturn because people who might otherwise think it was okay to continue on a fairly low-skilled basis would see the benefit of spending time uprating their skills.

Q146 Chairman: Why would employers, when they are shedding workers, want to take on more apprentices?

Jim Knight: That is what I am saying. On the supply side of apprenticeships you have more difficulty potentially in terms of employers wanting to take them on. That is why it is significant that the CBI, the TUC and the UK Commission for Employment and Skills wrote an open letter to employers this week, and I am not sure the Committee has seen that. It is a really strong letter setting out all the arguments why it is in businesses’ best interests to invest in skills, to invest in apprenticeships. There is targeted work that we will also do with an expanded workforce in the National Apprenticeship Service. We have currently got a field force of some 230. That will expand to 400. Currently we are doing some targeted work with Construction Skills, for example, around sustaining construction-based apprenticeships because whilst we have got a reduction in the amount of housebuilding going on we have got public sector building going on and we need to maximise our leverage through procurement and other routes in order to sustain that in construction as well as win the arguments with employers.

Q147 Mr Wilson: But even in the answer from Lord Young and you, Jim, there does seem to be a tension at the very least in what you are saying. On the one hand you are saying, Lord Young, that you hope that apprenticeships will not drop, but they probably will, and, Jim, you are saying that they will probably increase.

Jim Knight: No, what I am saying is that demand from young people, from potential apprentices, may well increase, so that side of things may be made easier. I think it would be extremely complacent of us to believe that it is not going to make it slightly more difficult in respect of engaging employers. That is why we need to deepen what we are doing in the public sector because we have more leverage over the public sector. There is huge room for expansion of apprenticeships in the public sector, and it will also be targeted with our expanded resource that we are putting into this. It is human resources and marketing resources. This is the tip of a large iceberg in terms of the legislation, and we will bring all of that to bear on ensuring that employers are persuaded that it is good for their medium and long term future to invest in apprenticeships.

Lord Young of Norwood Green: There are another couple of points. Certainly there is this battle of hearts and minds that we have to have with them that there are real benefits in improving productivity if the people they employ have the skills. After all, we do still suffer from a skill shortage, even taking into account the downturn. We have to remove all the barriers, and there have been barriers that people have complained about in the past when they wanted to take on apprenticeships, and we believe that we can do that, we can simplify the system for employers with our National Apprenticeship Service. The other thing we are looking at specifically in relation to SMEs is the question of trialling wage subsidies. We are not absolutely sure about the effects of this but we are certainly seeking to trial that.

Q148 Mr Wilson: Government-provided wage subsidies, at least to apprenticeships?

Lord Young of Norwood Green: Yes.

Q149 Mr Wilson: To what level? Will you be paying at least minimum wage?

Lord Young of Norwood Green: I am not in a position to give details. I think the best thing we could do about that one is that if there is more information available we will let you have that, but it is a clear intention that we will try that. Do not forget we are already picking up the costs of training, but what we are not dealing with is the cost of wages. Also, do not forget the idea of the Group Training Associations where SMEs form a group training company which employs apprentices, so again we are very cognisant of the costs, the impact of this in the current climate.

Q150 Mr Wilson: How will the Bill make sure that apprenticeships deliver to existing employees, that they do not just accredit existing skills but take them on from where they are?

Lord Young of Norwood Green: We are looking at how they can move into further and higher education as a result of that, so yes, we are—

Q151 Chairman: Lord Young, you have missed the point. The point is that we heard clear evidence both in this and indeed in our Leitch inquiry that the largest group of apprentices is those already in work, already being trained, and that this is really a re-badging exercise which is going on. The question that we want answered is how does the Government justify the dead-weight costs which are there to meet your targets but are not doing anything extra for the employee?

Jim Knight: Can I start and then others carry on? I know there is a statistic out there that over 70% of those starting apprenticeships are currently in employment. When you look beneath the surface of that what you find, and it is spread fairly evenly between young people and older people starting apprenticeships, is that there are quite a number of employers who will take people on first and then decide whether or not they are suitable for an apprenticeship, and there is a certain amount of logic attached to that. Equally, amongst young
people it might be that they are working part-time and then they decide that they want to pursue an occupation with that employer and so they apply for an apprenticeship. There are all sorts of reasons why starters might be in employment at the point at which they start. In terms of this being just a badge of exercise, my response to that would be that we are deliberately putting this in the hands of employers. I do not know that there are very many employers that would be complicit in a badge exercise. They will want to pursue apprenticeships because they are adding skills and value to their employees and getting the consequent benefits of improvements in retention rates and improved productivity as a result. They are not going to faff about helping Government achieve their targets, if that was the implication.

Q152 Chairman: I think the implication is they get money for it. Perhaps you would let us know, Jim, how many apprentices come from this trial basis. Do you have some stats on that?

Lord Young of Norwood Green: The fact that they are merely asked to put in a box whether they have been in employment prior to starting an apprenticeship does not—

Q153 Chairman: You do not know, do you, really?

Lord Young of Norwood Green: No, we have not got a precise statistic for that.

Q154 Chairman: That is all right.

Lord Young of Norwood Green: What I do not understand is why you seem to imply that that is somehow a negative approach. If a young person has been in employment with that employer or with another employer before they start an apprenticeship --- in fact I did myself before I started my apprenticeship quite a few years ago. I was in a totally different employment. It did not negate the value of the apprenticeship that I undertook or the other circumstances where they might be with an employer. Let us take an example. It might be Tesco. They might be involved in shelf stacking or whatever and then the employer and the employee decide that they are suitable or the employee decides they want to undertake a retail apprenticeship and the employer agrees and that is converted into an apprenticeship.

Q155 Chairman: I do not disagree with you. All we have asked you for is have you any stats to support that?

Mr Marston: Yes, we have got some stats.

Q156 Chairman: Rather than have a debate could we perhaps have those stats? That is all we want.

Jim Knight: I have many tables in front of me.

Mr Marston: Chairman, might I just add one other point which I think is relevant to this? One of the best pieces of evidence we have is the rates of return to apprenticeships, which are very good. In other words, if you go through an apprenticeship programme on average you will earn a higher wage than if you do not. Why would employers pay a higher wage to people if all that was happening was the badge of skills they already had? If you look at the effects of this, the outcomes in the business, employers think it worth paying more to somebody who has been through an apprenticeship programme. That is the strongest evidence we have that this is genuine skills development. Yes, it is at work, yes, it is in the workplace, but it is genuine skills development. People are gaining skills they did not have before and qualifications they did not have before, and that has a value for them.

Chairman: You will let us have the facts on that.

Q157 Mr Marsden: Jim, I wonder if I could take you back briefly to what you have just said about the public sector, public procurement and the economic downturn. You talked about using public procurement as a lever to try and encourage more private sector procurement. We notice today that the Government has made a further announcement about doubling the apprenticeship commitment in the public sector and that is very good and all the rest of it. The reality, certainly in the short term, is that in particular small businesses are going to be extremely reluctant initially to take on people in this area, so you are going to have to work much harder on that.

Is it the case that you are anticipating in the short term that the potential slack in take-up in the private sector will be matched by take-up in the public sector?

Jim Knight: I do not anticipate that there is some kind of magic read-across. We are not going to focus on the public sector and just ignore the private sector.

Q158 Mr Marsden: Have you done any modelling yet on the likely consequences of the economic downturn in terms of what you expect the public sector as opposed to the private sector to produce over the next 12 months?

Jim Knight: The modelling that we have done is at an extremely early stage, partly because it is an ever-moving target, but when I, with Sion Simon, had the ministerial oversight meeting that we have regularly with the Learning and Skills Council, we effectively commissioned an urgent meeting with them to discuss the model that they are working in respect of how this will work for apprenticeships but also some of their other activity. It is worth saying, Chairman, that when we appeared before your sister committee, the Children, Schools and Families Committee, last week, I told them that we were having a public sector apprenticeship summit on 29 October. Because of the change in ministerial responsibilities following the reshuffle we have had to postpone that, so it will not take place this week but it will take place in a few weeks’ time. There is a very strong drive across Government to do what we can in this area, but we will equally be pressing the NAS with this enhanced resource and stronger leadership to chase after deepening and widening private sector engagement with apprenticeships despite what is going on in the economy.
Q159 Mr Boswell: We have already touched on the Group Training Associations. Can you give us a bit of a feel as to how proactive you want to be about this? Would it make sense in the definitive Bill to put a duty on the Secretary of State to encourage the growth of group training where that is appropriate, and indeed in effect offer access to group training for everyone right down to the micro business—I am talking about the employers—and obviously then the apprenticeship follows from that.

Lord Young of Norwood Green: I think it follows on from the last question. We are very much seized of the importance of focusing on SMEs. Indeed, there was a £350 million package announced recently to give assistance on SMEs in developing essential skills to help them survive in the current situation. In terms of access to the Group Training Associations, certainly we want to maximise that. We do not see any current restriction applied to it. Let me put it this way. It is an essential tool for trying to engage smaller businesses.

Q160 Mr Boswell: I would not disagree with you, having been a member of one. Nevertheless, it is a question of whether you will actually assume a duty to do that.

Lord Young of Norwood Green: I cannot see any barriers to them when we see it as an essential part of our strategy to maximise apprenticeships.

Jim Knight: The only thing I would add to what Tony has said is that between the two departments we have also got to ensure that we have the resource to stimulate them. Clearly, we have a certain amount of resource for the NAS to spend on apprenticeships and they have to balance up the various things—the vacancy matching service, some of the other promotion that we do, the structural things that you do with GTAs and so on. That is the context against which we would have to look at things like duties and how widely we can create an expectancy that everyone will be able to get help in setting up a GTA.

Q161 Mr Boswell: What about having a subsidy for the employer, particularly if they are a small business? Are you thinking about that?

Lord Young of Norwood Green: Given that we are talking about a draft bill, I think we understand the point that you are making. What you are saying is that small and medium sized employers need every encouragement they can to participate. We could not make any promises in relation to that. We can just examine and discuss with them what the needs and the barriers are and if there is any more we can do that is feasible.

Q162 Mr Marsden: One of the issues that the Federation of Small Businesses expressed reservations about on the Government’s proposals when they gave evidence to us, although they were broadly supportive, was that you really have not in their view done enough to address the issue of informal bite-sized learning. We know from the evidence out there that the current apprenticeship structures are ones that a lot of small businesses find difficult to cope with and therefore will a more bite-sized, portable approach to training and development come within the framework agreement arrangements which are envisaged in the legislation?

Mr Marston: The way we are expecting that to work is that an apprenticeship programme is intended to be a way of acquiring a serious breadth of skill, knowledge, competence and understanding that you can use in the workplace.

Q163 Mr Marsden: With respect, Stephen, that is rhetoric, and that is always the case. What it comes down to in brass tacks is that small employers are telling us that the structures that have been produced are not appropriate for the sort of work patterns they have and that nothing has been done to address that.

Mr Marston: The apprenticeship programme is an important part, but only one part, of the support that we are trying to offer to SMEs with training. We had a previous discussion in the Committee about Train to Gain and one effect of last week’s announcement on the packages for SMEs is that we will in future be supporting in private sector SMEs more bite-sized, unitised training. But an apprenticeship should be a serious, heavyweight training programme that enables a young person or an adult to make a step change in their ability to contribute in employment. It is really not about short, bite-sized chunks. If that is what you want to do that is absolutely fine for business and we will support it through Train to Gain but it is not what an apprenticeship programme should be about. That should be a serious qualification to equip you with a breadth of skill you do not otherwise have.

Q164 Mr Marsden: With the Chairman’s indulgence, and it will be a quick retort but it is also a quick question, with respect, if we adopted that principle in respect of higher education half the university courses in the country would be blasted off the curriculum. The idea that because you do something on a sequential, modular, credit-based basis, if you want to look at it that way, it is not consistent with some form of strong apprenticeship or strong learning programme, is one that I think most people would regard as really rather silly.

Lord Young of Norwood Green: I think we might be at cross-purposes here. There is nothing wrong with a sequential or modular approach, and after all we are serious when we say that the whole idea of designing frameworks is that they are designed in consultation with employers. If they come to the Sector Skills Council and they say they want a modular approach as part of that framework, provided it meets reasonable quality criteria we should be able to respond to that. Otherwise we are failing in what should be one of the main drivers of this. We are going out and saying to employers, “We want to listen to what you want. We want these apprenticeships to reflect your needs”, so if that is what you are on about we ought to be able to accommodate a modular approach without undermining the quality of the apprenticeship, which is what Stephen was stressing.
Mr Marston: What we have said, and it is here in the Bill, is that one component of all apprenticeship frameworks must be a defined principal qualification or qualifications. By all means, as part of the wider qualification reform programme qualifications will be unitised, and people will be able to do chunks of training, but the point of this is that we are trying to work towards a worthwhile, valuable qualification.

Q165 Chairman: I think it is absolutely fair, Lord Young, and I hope you do not get the impression that we want anything other than a high quality apprenticeship programme. I think we are at one on that.

Lord Young of Norwood Green: Yes. It was flexibility that was being stressed, I think.

Q166 Chairman: But would you accept that the specification of apprenticeship standards provided in clauses 11–15 in the draft Bill are absolutely essential to having a high quality apprenticeship scheme?

Lord Young of Norwood Green: Indeed.

Q167 Chairman: The answer to that is yes, I hope. Jim Knight: It is slightly bizarre.

Lord Young of Norwood Green: If all the questions were like that and I could agree with them all it would be easy.

Q168 Chairman: The question is why therefore have you not published a draft specification in the Bill because the draft specification would give us an idea as to what your thinking is and it is absent?

Lord Young of Norwood Green: We are tightening up the requirements of the Learning and Skills Council. There is an existing blueprint that all frameworks have to relate to. We are making that much more rigorous.

Q169 Chairman: So why not a specification? We understand what the blueprint is because that is in existence at the moment but you are saying it is going to be different from the blueprint, so why have you not got a draft specification?

Lord Young of Norwood Green: As long as we define the key principles in the Bill do we really want to say that every time we might want to change an aspect of that it would require primary legislation? I think you are right to demand something that is a key determinant of quality but I think we have done it unless I am mistaken.

Mr Marston: Chairman, you are right, we have not yet published the proposed form of the new blueprint, I am afraid. We will do that as rapidly as possible. We have put out in World-class Apprenticeships an outline of what that blueprint will cover and the way in which it will move on from the blueprint that already exists on a non-statutory basis.

Q170 Chairman: I think again we are at cross-purposes here. The point of having this scrutiny of the draft Bill is to see what the Government’s intentions are and unless you produce a draft specification we do not know what your intentions are.

Lord Young of Norwood Green: Let me reassure you. We will have a specification for the Second Reading.

Q171 Chairman: Thank you very much indeed.

Jim Knight: Chairman, obviously, the explanatory notes set out a little bit of the thinking and reference to the World-class Apprenticeships paper. Across all of that it is possible to see what we are talking about but you will get it at Second Reading.

Chairman: Thank you very much indeed.

Q172 Mr Boswell: May I turn to what could sound like an old chestnut, which is the relationship between apprenticeships and the wider qualifications framework? I am particularly interested in the core elements of apprenticeships as they are developed, and will the attainment of an apprenticeship be interchangeable with GCSEs and A-levels for the other area we have not talked about yet, which is entry to higher education or development?

Jim Knight: We set out in the qualification strategy of the two departments a few months ago how we wanted to move from this plethora—obviously, particularly as far as I am concerned, up to 19—of qualifications that we were funding and distil it down in principle to a foundation learning tier that then underpins a three-pronged set of choices—traditional GCSE, A-level, the traditional vocational apprenticeship and then the bridging qualification in the form of diplomas. Obviously, there then needs to be an equivalence read-across and we have the development of the qualification and credit framework in order to offer that, particularly post-19, but the equivalence is there in respect of the NVQ levels and I know that there has been some discussion, for example, about being able to move from a Level 2 diploma into a Level 3 apprenticeship, for example. There is no reason why you cannot do that. There may be some issues in respect of having the practical skills in detail that you would get at Level 2 in an apprenticeship that would then allow you to do a Level 3 apprenticeship. The diploma, being a sector-specific qualification rather than an occupation-specific qualification, may not give you some of those practical skills, so you might need to do some work in order to catch those up before you can then go on to do a Level 3. In principle what we are after is a level 2 is a level 2, be it a GCSE, an apprenticeship or a diploma, and a level 3 is a level 3 and so on.

Q173 Mr Boswell: A couple of follow-ups. One is Rathbone have given us evidence and suggested that about 70% of its apprentices have additional educational needs, that is of course not SEN but some forms of remedial support rather along the lines you mentioned. Will the Bill be able to cope

10 National vocational qualifications
with the educational needs of apprentices, specifically on moving from level 2 to level 3, for example?

Jim Knight: The overall delivery will and to some extent we get back to the extent to which we have already set out what would be in the standard or not. The standard will be specific on transferable skills, particularly functional skills. You will need to be able to develop the necessary competence at the necessary level in respect of functionality. We are building personal learning and thinking skills and functional skills into the diplomas quite deliberately but, similarly, the apprenticeship’s standard, which the frameworks would have to deliver on, would include those transferable skills.

Q174 Mr Boswell: Will you be intending to have what you might call a marketing campaign among HEIs, for example, to make sure that once this is set out they are likely to take notice of what is on offer?

Jim Knight: Yes. Obviously this Committee is more expert than I on the independence of universities and how important it is to win their hearts and minds rather than tell them what to do and we will be working very hard to do that.

Mr Marston: One other component of the blueprint will be that it requires frameworks to set out progression routes so you can see how you can move from an apprenticeship to an advanced apprenticeship and on into higher education.

Mr Boswell: That is helpful.

Q175 Mr Marsden: Lord Young, your colleague, Jim Knight, has just mentioned about hearts and minds and the HE sector. I will resist the temptation to ask you to comment on, I think it was, Lyndon Johnson who said that when you have them by the balls their hearts and minds will follow, but we will not go down that route. What I would like to ask you, if I may, is there is clearly a big issue as to the extent to which apprenticeships and vocational qualifications in general will be accepted by higher education institutions. The Edge Foundation have suggested that a provision on the face of the Bill, we certainly had not planned on the face of the Bill, we certainly had not planned to do that.

Chairman: Gordon Marsden’s question, I think, is really quite pertinent to whether in fact you are going to put on the face of the final Bill a requirement of higher education which is due to take this into account rather than just a pious hope that they will. The answer is no?

Lord Young of Norwood Green: I do not know that currently we plan to do that.

Q178 Chairman: Why not, if it is that important?

Mr Marston: New primary legislation relating to admissions to universities would—

Chairman: Is it a requirement to consider? It would have to be in their admissions criteria.

Q179 Mr Marsden: It is a tweak on the balls rather than grabbing them.

Jim Knight: Surely if we can get UCAS, HEFCE and others without touching their more sensitive genitalia or parts of their anatomy to want to do it, then that is more persuasive in the end.

Lord Young of Norwood Green: Apparently we are going to commission a joint HEFCE, FDF, LSC and NAS review of vocational progression to foundation degrees. We do understand the importance of this, it is important, but putting it on the face of the Bill, we certainly had not planned to do that.

Chairman: Could I say on a personal note, I find that an incredibly disappointing cop-out, that you are not prepared really to stand up to higher education and make sure that apprenticeship routes and vocational routes into higher education have got the same validity as you would have with GCSE and A level, but I will move on to Rob Wilson.

Q180 Mr Wilson: I will try and steer clear of balls for the next couple of questions. The British Chambers of Commerce have raised a pretty legitimate concern with this Committee and I hope that you can reassure us about it. David Frost said: “Simply to go for volume at the expense of quality...
will just consign this programme to the dustbin”. It does raise a very pertinent point in that how do you ensure that quality does not suffer as you rapidly expand this apprenticeship programme.

**Lord Young of Norwood Green**: We talked about a more rigorous route in the specification which we said that we will provide in the Second Reading. After all, there is a good deal of current experience in designing frameworks, they do have to meet their criteria. We agree that there is an important balance to be struck here and you cannot just drive up volume, if you like, without ensuring that you sustain the quality and the brand. If somebody goes through an apprenticeship, it should be something that they should be proud of at the end of that process. We believe that with the frameworks which have to be agreed, there is a balance to be struck between, if you like, the reasonable demands of employers saying that it should reflect the flexibility which they require within meeting the demands that are currently laid out by the Learning and Skills Council in their blueprint. We have 180 frameworks at the moment, it is a good deal of experience about what should constitute an apprenticeship. I cannot see a sudden departure from that process.

**Jim Knight**: Could I add, and then Stephen will mop up what is left, that beyond that importantly the frameworks sit with employers through the Sector Skills Council and sometimes employers by themselves, it is in their interests to ensure the quality. It is also something that we inspect. Ofsted inspects the provision and they do so on a proportionate basis, but we have that inspection of quality and then we have the performance management of the post-16 providers through the Framework for Excellence. In turn, by including apprenticeships’ success rates as one of the measures within the Framework for Excellence for that element of apprenticeship which is delivered by training providers, we have got quite an important lever in ensuring quality.

**Mr Marston**: I want to add that I think the Committee and, indeed, David could take some comfort from what has happened over the past few years. In 2001–02 apprenticeship framework completion rates were standing at 24%, they are now at 63%. Over that period we have significantly expanded volume and dramatically raised quality. We will aim to keep that same combination of increased volume and higher quality as we continue to expand the programme.

**Q181 Mr Wilson**: As you have mentioned it, Jim, let us talk about Ofsted because in Network Rail’s submission to us it said: “The LSC and Ofsted are bureaucratic and their auditing of our standards excessive”. There is a tension, is there not, in these discussions? How are you going to balance the demand for quality with businesses’ desire for less regulation?

**Jim Knight**: That is an ongoing tension, is it not? Network Rail have got two regulators because they are one of the four employers that are now accredited as an awarding body, so they have also got Ofqual as a regulator of them as an awarding body as well as Ofsted regulating their provision. That is something Ofsted is currently looking at at the moment in terms of whether or not we need to move more as a proportionate risk-based response to inspection so, where a provider, be it Network Rail or anybody else, demonstrates consistently that they are delivering quality, then perhaps there is a need to inspect them less frequently and that is something which Ofsted is working on at the moment.

**Q182 Chairman**: Could I lead you on to another area where hopefully you will put something on the face of the Bill and this is to do with diversity. There is a 40% pay differential between male and female apprentices according to the 2005 apprenticeship Survey. Seventy per cent of advanced apprenticeships are male and, indeed, black and minority ethnic groups are grossly under-represented at all levels of apprenticeships. That is your information coming from the Government, Lord Young. Where on the face of the Bill is there any encouragement that there is going to be a direct approach to addressing these diversity issues?

**Lord Young of Norwood Green**: I hate to disappoint you again, Chairman, not on the face of the Bill because we do not believe that this Bill is the right vehicle to do it. Apprentices are employees and their employment relationship is governed by employment and equalities legislation, so there is a single equalities bill to consolidate, harmonise and extend existing discrimination law. That was a manifesto commitment and that Bill is planned to be introduced into Parliament in the next session. I want to address the point you made, because it is a really serious point about the problem. There is a series of initiatives, of which the National Apprenticeship Service will play a key part, to encourage learners to consider atypical career choices when applying for apprenticeships. So what does this include? Advice in schools, because that is often where the first barrier is, people see their career choices in a very stereotypical way, so if it is hairdressing and beauty, you know that course is going to be packed out in the main by young women and, similarly, on engineering you might see the obverse. We need to ensure that the advice in schools is appropriate, that we do something to combat the stereotype. There will be a mentoring system for apprentices in situations in which they might feel isolated due to differences in gender, ethnic background or disability and the Learning and Skills Council are developing a series of critical mass pilots across the country to increase atypical and under-represented learners on apprenticeships. These pilots will facilitate collaboration between employers and the third sector to support atypical and under-represented learners. Then the expansion of the apprenticeship programme to over 25s has already had a positive impact on diversity, greater representation of females and black and minority ethnic groups in over 25s apprenticeships, so a number of activities that we will undertake but nothing on the face of the Bill.
Q183 Chairman: There will be no requirements at all, there will be no requirements on the Inspection Service to inspect against diversity issues? Jim, will there or will there not?

Jim Knight: As Lord Young said, there will be measures in the Single Equalities Bill, that is the more appropriate legislative vehicle for this particular area. You can look forward to us being able to listen carefully to what your Committee has said and reflect on it and then see how we can reflect that in the Single Equalities Bill rather than through this piece of legislation. I would reinforce what Lord Young said in respect of careers education, that is something we are improving in guidance to schools. One of the other strengths of having a National Apprenticeship Service and having the rigour and the substance of the NAS will be trying to chase after some of the geographical imbalances in apprenticeship take-up. Simply by addressing the issue of low take-up in the London area, you would have to then be addressing some of the diversity issues which you talked about in terms of BME.16 for example.

Chairman: I think we would both agree this is an important issue.

Q184 Mr Boswell: Another important issue is the employment rights of apprentices. The Flett v Matheson case established the principle that where an employer does not wish to continue to provide an apprenticeship, there should be an obligation on that employer to try to find an alternative placement. I have to say, this is exactly what has happened to a constituent who has been in correspondence with me about this, for example. Why does the draft Bill not enshrine that principle in statute form?

Lord Young of Norwood Green: Again, I think we share a common goal of trying to maximise the number of apprenticeships. If we made it into a contract of apprenticeship, I think the legal obligations of that would undermine the primary goal, so we have tried to strike a balance here on giving an apprentice normal employment rights. Can we guarantee that if there is dissatisfaction with the training an apprentice is receiving, this should be referred to an employment tribunal. I do not think we could. I do not think we could. I hope we will be creating a climate with something in the National Apprenticeship Service that we could do something to deal with those problems. It is a balance on employment rights.

Q185 Mr Boswell: Following on from that, I think we would all agree, not only on the objective of increasing the apprentices but as far as possible trying to keep the law out of these circumstances unless it is essential. My understanding is you have suggested as Government that if there is dissatisfaction with the training an apprentice is receiving, this should be referred to an employment tribunal. I do realise that employment tribunals have a preliminary mediation function, you cannot just take it to the final resolution without an intermediate stage, but is there a case for getting the National Apprenticeship Service instead, for example, to take on that and attempt to sort this out?

Lord Young of Norwood Green: My instant reaction is if we had not covered a scenario where somebody is dissatisfied and the only recourse is to go to law, there is something wrong. There ought to be something in the National Apprenticeship Service or somewhere which enables somebody who has got a genuine grievance about the quality of training that they are receiving to resolve it without going to law.

Q186 Mr Boswell: My next question was going to be about having an Ombudsman, for example?

Jim Knight: We want the NAS to be quite a focused organisation, quite a focused service within the SFA.17 There are all sorts of reasons why it has been designed the way it has, but we want to put that expertise in employer engagement into one place. To have a tribunal service which sits within that is slightly awkward in terms of its focus. There is some quite complicated legal advice and discussion that I have been trying to keep up with in terms of the common law status of an apprenticeship contract. I am completely persuaded that moving the definition of the contracts we are talking about as service contracts, as the draft Bill does, so you have got the flexibility of employment contracts, you have then got the use of things like the employment tribunals, seems a very sensible way of keeping the NAS focused and keeping the contracts we are talking about relatively flexible.

Q187 Mr Boswell: Can we go back to the point—Lord Young almost floated it for me—about some redress procedure. There is some degree of inequality in the relationship between an apprentice and their employer, possibly on the scale, legal firepower, access to legal advice and all the rest of it, have you considered setting up some kind of apprenticeship Ombudsman or at least some vehicle through which individual apprentices can raise their concerns and grievances and obtain advice?

Jim Knight: I think we would always reflect on what people like yourselves would tell us about the need for such a service, then whether or not you would fashion such a service or whether you would look across the landscape at what is already there and whether or not there is something else that you could use would then follow.

Q188 Mr Boswell: I take it there is a sort of acknowledgment of the issue without necessarily having resolved the final outcome.

Lord Young of Norwood Green: I do and, without getting into perhaps the panoply of an Ombudsman or whatever, I am told that the NAS will address initial complaints but it is not going to be on the

16 Black and minority ethnic

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face of the Bill. All I was reflecting was in my experience, even before somebody goes to an employment tribunal, which although in theory is
designed to be less legal than a court, in fact if you have
experienced them you will know that is not the
case. Personally, I was keen to see what would
a young apprentice or, indeed, any apprentice do
if they felt, hang on, this is not what it said on the
tin when I signed up, there ought to be a means of
trying to resolve it without going to any form of
law. It looks like we have got some ideas and we need to
see what you said into account.

Q189 Dr Iddon: I apologise for missing the bulk of
the Committee. I am afraid I was on a three line
whip in another Committee.

Jim Knight: I am sure it was a fascinating statutory
instrument!

Q190 Dr Iddon: Yes, it was! Out of the Learning and
Skills Council, which has taken a long time to
settle down but I feel it has settled down now, we
have another bureaucratic upheaval and out of that
will come the National Apprenticeship Scheme.

Why are we going through another major
bureaucratic upheaval to reorganise the structures?

Jim Knight: I think the root of this lies with the
decision that was made prior to the Machinery of
Government change to raise the participation age
to 18. In essence, and to cut a very long set of
discussions short, once you have made that
decision, then you are saying to local authorities,
“You’ve got duties and responsibilities to ensure
that every young person right up until the age of
18 has got a proper range of provision to meet their
needs and their personal circumstances”. Once you
have given local authorities those duties, then it
makes sense to transfer the commissioning of those
post-16 education services to local authorities.

Hence, you are taking away the majority of the
funding from the Learning and Skills Council
and you are left with something else. That is then
an opportunity to look at whether having made
decision you are going to have that break at
18 rather than at 16, which would then be reflected
in the machinery of government change to say,
“Are there things about what is left of the LSC’s
function, having taken away post-16 learning, that
you would configure slightly differently?” and the
answer was “Yes”, hence the formation of the SFA
and then within that the NAS.

Q191 Dr Iddon: Jim, the Committee has the current
2008 March costs of running the LSC and the
manpower numbers here. Have you calculated the
cost of running the NAS and the manpower
required for that, and will it be more or less than
the present structure?

Jim Knight: Stephen may have some of the detail,
but clearly when we bring this into legislative effect,
we will have to produce an impact assessment
which will set that out in some detail in respect of
the SFA, the YPLA13 and then how that works in
respect of the NAS. Stephen, do you want to come
in here?

Mr Marston: In World-class Apprenticeships we
were very clear that the NAS would be a bigger,
better service than we have now. It will need more
staff. Very broadly, we are talking about a growth
from about 250 now to about 400 in future for the
National Apprenticeship Service. You then, of
course, the service that runs the apprenticeships
programme, will be bigger than the resource we
have now, but it will be sitting within the Skills
Funding Agency. As Jim said, we are working
through how the known budget and headcount for
the LSC is best distributed between the Skills
Funding Agency, including NAS, Young People’s
Learning Authority and the 150 local authorities,
that is still discussion going on.

Q192 Dr Iddon: Will the NAS have a regional
structure, in other words, will it be dealing with
employers at a local level? Will it also be
responsible for the quality of apprenticeships?

Jim Knight: It will certainly need to be able to relate
to employers at the appropriate level. It will need
to be able to relate to employers nationally because
there are some, Rolls Royce, BT, those sorts of
national employers, where it is most appropriate to
have that relationship at that level, but equally at
a regional or local level, working with local
education-business partnerships, but working in its
own right and working with skills brokers trying,
as far as possible, for employers to have a single
conversation is the aspiration. The skills broker
brokers the needs of the employer and promotes
certain things to them and then can bring in
expertise from the NAS and bring in Train to Gain,
the various things that we would be offering
employers.

Lord Young of Norwood Green: If the initial contact
is with the skills broker, once they identify that
what the employer needs is advice on
apprenticeships, then it will be a straight reference
to the NAS and they will then handle the
requirements.

Q193 Dr Iddon: Measuring the quality will be
whose responsibility?

Jim Knight: With Rob’s questions we discussed
how you have got the role of Ofsted’s inspection,
but obviously NAS have the responsibilities in
respect of both the standard and the certification
and then the Sector Skills Council for the
framework.

Mr Marston: The NAS themselves will not be
inspecting or reviewing quality, what we will have
through a development called Framework for
Excellence is published information about quality
standards, success rates for all providers and Ofsted
reviewing the quality of the training programmes.

13 Young People’s Learning Agency
Q194 Dr Iddon: Are you expecting the NAS to collect a whole spectrum of statistics which will justify the new system being better than the present system in terms of various things like training quality, improving take-up, progression of apprentices through the different schemes and things like that?

Jim Knight: Undoubtedly there will be a reasonable amount of data collection within the context of our commitments in the Local Government White Paper and so on. My guess is that in the end what people will look at is the trajectory which was set out, culminating in the 2020 vision of one in five young people in an apprenticeship.

Lord Young of Norwood Green: We are currently measuring, are we not, starts and completions which is in the report and we know they are significantly improving. Completions have gone up from something like 23% to 63% over a relatively short period of time.19 We know what the targets are and if we are reaching those targets in relation to completions, I think we are doing well. In terms of the quality, what there will be is more rigorous blueprint, so those frameworks have to conform to the more rigorous blueprint. We hope for a better quality apprenticeship and, at the same time, more successful in terms of the number of young people or mature adult apprentices carrying on to complete their apprenticeships.

Q195 Chairman: Can I say first of all to both you, Lord Young, and to Jim Knight, MP, there are a number of questions we have not been able to ask, will you be happy for us to write to you with those so we can get some brief response?

Jim Knight: Of course.

Chairman: On that note, can I thank you very much indeed, Lord Young, Jim Knight and Stephen Marston for your presence before the Committee. We have enjoyed looking at this draft Apprenticeship Bill. I think it is a good process. We thank you very much indeed for your time.

19 Note from the witness: “24% rather than 23%”
Written evidence

Memorandum 1

Submission from the Engineering Council UK (ECUK)

SUMMARY OF OUR SUBMISSION

1. Strengthening the apprenticeship system would almost certainly lead to more opportunities for apprenticeships to be recognised as leading to professional status, and ECUK would welcome this.

2. Our comments chiefly focus on areas where greater clarity in the draft Bill could help achieve the Government’s objectives in apprenticeships:
   — the employed status of the apprentice;
   — attainment, employment, competence and a need to define “work”;
   — progression opportunities—level 4 and beyond;
   — public access to data;
   — equality and inclusion;
   — Young Apprenticeships;
   — impact on structures—issues of expert advise and of multiple “sectors”; and
   — maintaining quality above quantity.

ABOUT THE ENGINEERING COUNCIL UK

3. The Engineering Council UK (ECUK) regulates the engineering profession in the UK by licensing 36 professional engineering institutions which are then able to place suitably qualified members on ECUK’s Register of Engineers. The Register has three sections: Chartered Engineer, Incorporated Engineer and Engineering Technician. The UK’s Register of around 250,000 professional engineers and technicians is the largest such register in the developed world.

4. ECUK has developed standards for registration which reflect employer needs. We work closely with employer organisations, and with the education sector, to ensure that the competences needed to practice engineering are understood, and that qualifications to underpin these are identified, and where possible accredited or approved.

5. Completion of an advanced apprenticeship can lead an individual directly to membership of a professional engineering institution and registration with ECUK as a professional Engineering Technician (EngTech). ECUK has also recently received approval to establish a standard and register for professional ICT Technicians (ICTTech).

6. ECUK works with national regulatory bodies in many parts of the world, and has a good understanding of the standards applied in other developed and developing countries.

INTRODUCTION

7. Engineering Council UK (ECUK) generally welcomes this draft Bill. Apprenticeships have a major role to play in the continuous enhancement of the UK’s skills base. Equally importantly, they can be an important vehicle for individual development and fulfillment, since they provide a means of learning through active engagement in work, supported as appropriate by formal learning. We therefore welcome the move to give them a secure legal status.

8. The engineering profession recognises the value of good quality level 3 apprenticeships as part of its requirements for professional registration. Under the UK Standard for Professional Engineering Competence (UK-SPEC), completion of an appropriate apprenticeship can lead an individual directly to membership of a professional engineering institution and registration with ECUK as a professional Engineering Technician (EngTech). Professional status gives added value to completing an apprenticeship, since it requires the individual to commit to lifelong learning and maintenance and development of professional competence, as well as to professional codes of conduct and ethics. Strengthening the apprenticeship system to achieve the Government’s objectives in world-class apprenticeships would almost certainly lead to more opportunities for apprenticeships to be recognised as leading to professional status, and ECUK would welcome this. The comments on the draft Bill which follow concentrate on areas where greater clarity could help achieve these objectives. They mainly relate to the Committee’s question “Is there anything missing from the draft Bill?” although some comments on other matters are also included.
The Employed Status of the Apprentice

9. The LSC 2007 statement, echoed in World-class Apprenticeships, has our full support:

The preferred Apprenticeship route is now, and will continue to be, direct employment from the beginning of the Apprenticeship until its completion.¹

We will protect the Apprenticeship brand, reforming so-called Programme-led Apprenticeships to strictly specify the acceptable minimum level of tie-in with employers.²

10. The need to reform programme-led apprenticeships has been further underlined by the recent Ofsted report³ on them, which included disturbing accounts of young people engaged in long hours of unpaid “work-experience”. It is therefore of concern that while the terms “work” and “working” are used a number of times in the draft Bill (eg in sub-clauses 1(2)(c), 3(2), and 3(3)) these are not clarified. Although it would appear from the proposed new 3G(1)(a) of the Learning and Skills Act that employment is a requirement of an aged 16–18 apprenticeship, the requirement for employed status of apprentices (from beginning to end) is not sufficiently clear and should be made so.

Attainment in Apprenticeships

11. The LSC report on programme-led apprenticeships emphasised that:

The characteristic principle of “apprenticeship” since its creation has been the acquisition of skills and competence to operate in a designated employment trade by learning from those already knowledgeable and competent and by practising and refining these skills in employment.⁴

12. Competence is the key to registration as a professional Engineering Technician. It is a combination of knowledge, understanding, skills and attitudes and while some aspects of it may be acquired through formal learning it cannot be achieved without learning through work. It is however not mentioned in the Bill, and nor is the validation of learning through work, although the latter is implied in the explanatory notes (note 13). Instead the references to standards of attainment are related to the acquisition of qualifications. It is understandable that legislation should relate to tangible entities such as qualifications, rather than to concepts such as competence, but there is a danger that this could lead in the worst case to an emphasis simply on theoretical learning. We hope that the Government will be willing to give further consideration to how this important issue might be covered in the Bill. In particular it should be possible to recognise professional development pathways developed by professional bodies, even if these do not lead to a formal qualification such as an NVQ.⁵

Progression

13. The motor industry, engineering manufacture and electrotechnical sectors have large proportions of level 3 apprentices (71%–81%),⁶ a wide range of Sector Skills Qualification Strategies within engineering sectors are indicating shortages at level 4, and progression opportunities need ensuring. However, whilst the explanatory notes to the Bill (eg note 22) indicate that the Higher Level Apprenticeship might be included under eg 12(1)(c), level 4 apprenticeship requirements are not mentioned or specified within the draft Bill. This should be rectified.

Other Issues

14. Some other matters are not explicitly covered in the draft Bill and could usefully be:

(a) There is no requirement for statistics on apprenticeship starts and completions, by level and sector, to be made publicly available. This should be rectified;

(b) Given that World-class Apprenticeships placed emphasis on addressing inequality in apprenticeships, and this was more recently echoed in the House of Lords Economic Affairs reports,⁷ by the TUC⁸ and by OECD,⁹ omission in the draft Bill of reference to such requirements seems a particular missed opportunity;

(c) The draft Bill does not include any reference to Young Apprenticeships—these have been very successful in engineering-related sectors and there is a concern that subsuming them under Diplomas will result in loss of brand prestige and thereby take-up.

² World-class Apprenticeships: Unlocking Talent, Building Skills for All p 6.
³ The impact of programme-led apprenticeships (Ofsted 2008).
⁵ And bearing in mind opportunities that may arise from recent change regarding NVQ (Ofqual/08/3160).
⁷ Apprenticeship: a key route to skill (House of Lords Economic Affairs Committee 2007) and follow-up report (June 2008).
⁸ Still more (better paid) jobs for the boys (TUC, 2008).
IMPACT UPON CURRENT INSTITUTIONAL STRUCTURES

15. It is desirable that the NAS should take lead responsibility for all apprenticeships, pre- and post-19. Clarity is needed on who authorized persons and certifying authorities (under eg clause 4) might be. Furthermore, the draft Bill does not include explanation of how the Secretary of State or the “authorised persons” will draw on relevant expertise in order to make decisions about the quality, level and relevance of submissions, or how quality of “delivery” and learning experience will be assured within and between apprenticeship frameworks.

16. There are a number of references in the Bill to “sectors” (eg clause 7) and an implication that a framework will only be applicable within a particular sector. While the current relicensing exercise for Sector Skills Councils may help to clarify the definition of individual sectors, it has acknowledged that there may be overlap between them. This is particularly true in fields such as engineering, which spreads over a number of different sectors, and increasingly so as technologies and multidisciplinarity escalate. This needs to be recognised.

17. Articulation with Scotland and Northern Ireland will be an important issue for major employers and for organisations such as ourselves and other professional bodies which work at a UK and international level.

IS THE BILL WORKABLE?

18. It is by no means certain that it will be possible for the NAS to find a quality employed place for every 16-18 year old so qualified. In these circumstances the emphasis on quantity might be counter-productive and come at the expense of quality, especially for this age range.

September 2008

Memorandum 2
Submission from the Federation of Small Businesses (FSB)

FSB RESPONSE TO THE DRAFT APPRENTICESHIPS BILL INQUIRY

The Federation of Small Businesses (FSB) welcomes the opportunity to respond to the above named inquiry.

The FSB is the UK’s leading non–party political lobbying group of UK small businesses, existing to promote and protect the interests of all who own and manage their own businesses. With over 215,000 members, the FSB is also the largest organisation representing small and medium sized businesses in the UK.

According to Labour Force Surveys, 69% of all apprenticeships take place in small businesses. An inherent problem for businesses with fewer than 10 employees remains the cost to the business of training an apprentice.

Does the bill meet the Government’s policy objectives to set up a system of “world class” apprenticeships in the most effective way within a reasonable time frame? Will the bill lead to a renaissance in apprenticeships?

The FSB feels that the Minimum Wage increase for Apprentices from £80 to £95 at the Trades Union Congress Conference was a good first step; however, a true renaissance will only occur if an Apprentice can achieve parity with their other working counterparts. The development rate minimum wage for 16–18 year olds is still higher at £110 for a 35 hour working week. The FSB believes that this Apprenticeship Bill should provide the platform for equality so that there is value in taking and completing an apprenticeship. The FSB advocates a section in the Bill for an Apprenticeship rate to be set which is on a par with the Minimum Wage Development rate.

The wage contribution on offer for taking on an Apprentice is welcome; now the Bill must go one step further and ensure that Apprenticeships are deemed as an equal learning route to working life.

What is the cost?

The FSB is concerned of the potential administrative burden for the smallest employers wishing to claim the wage subsidy for apprentices. The LSC have confirmed that they have had a significant under spend on the take-up of wage contribution payments to small businesses and this is largely due to a lack of awareness of the policy. There is also the problem of the policy:

“You can choose to claim either £5 per hour or the actual net hourly rate for employees that are released for direct training with their training provider”.[11]

The FSB believes that the words “or actual wage costs” leads to a bureaucratic process of recouping the true cost of training that many small business simply do not have the time to investigate. Clause 21 of the Draft Apprenticeships Bill should provide duties on the LSC for businesses with fewer than 50 employees to be able to easily access wage contributions.

A recent FSB Apprenticeships Survey of 1,200 small businesses[12] found that only 5% of businesses were aware of the ability to claim wage contribution payments for providing time for apprentices to train.

Awareness is not the only problem, small businesses are complaining that the direct payment of wage contribution is not reaching their business bank accounts until three months after Government funded training—this leads to significant concern surrounding the cash flows.

The FSB calls on the Government to ensure the wage contribution policy is better advertised and the payment procedure is more efficient.

What impact the bill will have on current institutional structures?

Learning and Skills Council

The FSB would like reference made to the fact that the Learning and Skills Council will be abolished by 2010. Small businesses need to be made aware of the central funding body for skills, particularly as this is the institution where they will be accessing information on wage contribution.

Group Training Associations

The FSB supports Group Training Associations if they make it simpler for small businesses to employ Apprentices and removes the burdens of bureaucracy involved in taking on an apprentice. Removal of the employment risk is welcome, however, will it mean that the Group Training Association becomes the employer and if so how will this impact on the rights of the SME and the apprentice.

Is there anything missing from the draft bill?

The FSB is concerned that the Bill does not provide detailed information on which age groups are included within the prospective system. The FSB wholeheartedly supports lifelong learning and apprenticeships being taken at any age, however, the Bill needs to provide clarity as to whether it is simply focussed at 16–18 year olds or whether 19+ are included.

September 2008

Memorandum 3

Submission from the Association of Learning Providers (ALP)

A. INTRODUCTION

The Association of Learning Providers (ALP) represents the interests of a range of organisations delivering State-funded vocational learning. The majority of our 450 member organisations are independent providers holding contracts with the Learning and Skills Council (LSC), and Department of Work and Pensions (DWP), for the provision of a wide-range of work-based and work-related learning. Amongst our members we also have a number of consultants, regional networks, and around 60 Colleges of FE in membership, alongside nearly 50 charities, giving ALP a well rounded and comprehensive perspective and insight on matters relating to its remit.

With regard to Apprenticeship provision, our members deliver the majority of Apprenticeships in England, probably in the order of 75%. We believe therefore that we are in an excellent position to pass comment on aspects of this current inquiry, and we are pleased that our Chairman has been invited to give oral evidence to the committee.

B. SUMMARY

— It should be recognised that, as demonstrated by the most recent completion figures (64%), Apprenticeships can be regarded as a “world class” programme. (Paragraph 1.)
— ALP is content with most aspects of the Bill, but greater involvement of providers, especially but not only in framework development, is essential and the Bill should make this involvement a requirement. (Paragraph 2.)
— ALP has severe doubts as to the feasibility of putting into practice any requirement on the LSC to secure the availability of Apprenticeship places. (Paragraph 5.)
— ALP supports the description of Apprentices as an employed programme. (Paragraph 6.)
— Whilst National Apprenticeships Vacancy Matching Service (NAVMS) will be a useful tool it alone will not result in the increased employer engagement needed. (Paragraph 7.)
— ALP wholeheartedly supports the need for proper information, advice and guidance on all options for all young people but it is not clear if the Bill goes far enough to ensure this. (Paragraph 8.)

C. SUBMISSION

1. Recent developments have already seen a dramatic rise in both the number of young people opting for this route and the quality of Apprenticeships, as demonstrated by the completion rate—now at 64%, a truly world class achievement. We must not become complacent, however, and ALP welcomes the introduction of this Bill, seeing it as a positive move for Apprenticeships. That said, we do have some concerns and/or questions about some aspects which are set out below.

2. We are satisfied that the proposals relating to the issue of certificates seem reasonable but we do have some concerns about the process for approving the core elements of Apprenticeship frameworks. We fully support the concept of employers and Sector Skills Councils (SSCs) submitting draft frameworks to the Secretary of State or authorised person. We believe, though, the process for identifying and approving the frameworks must involve a range of interested stakeholders, which must include the training providers that would be required to deliver them. Without their involvement there is a very real danger of frameworks being approved that are in fact undeliverable. For this reason, too, whilst we welcome the requirement (in clause 11) for the LSC to consult during its preparation of a draft specification of Apprenticeship standards for the Secretary of State, it should stipulate that providers in particular must be consulted. The current requirement to ‘consult such persons as appear to it appropriate’ is totally inadequate.

3. The draft implies that frameworks will be issued for a maximum of five years, but it does not indicate what will happen at the end of the framework issue period. Will every framework have to be resubmitted, re-approved and reissued, or will there be a mechanism to allow frameworks that are still appropriate and effective to continue to be used with a minimum of bureaucracy?

4. We hope that the clarification of the status of the Apprenticeship agreement will clarify the status of Apprenticeships in law as there have been a number of cases where the contractual status of an apprentice has been questioned.

5. Whilst welcoming the intentions behind the Bill, we do have some doubts if some aspects, notably the duty on the LSC to secure the availability of Apprenticeship places for all eligible persons who have elected for the scheme, can be delivered. It is not widely recognised that the vast majority of Apprentices take on an Apprenticeship after they have started work with their employer. Very few employers, apart from a few of the large ‘Blue Chip’ companies set out to recruit Apprentices. Whilst in the longer term the plans to raise the age of participation will undoubtedly have a positive effect on this situation, for the next few years, any substantial growth in Apprenticeship numbers will need to come from training providers using their strong links with local employers to persuade them to put the young person they have taken on onto an Apprenticeship. Until this is recognised and measures introduced to enable training providers to maximise their expertise in this area any growth in Apprenticeships will fall far below what might actually be achieved.

6. We wholeheartedly support the definition of Apprenticeship, which makes it clear it requires “employment”. We have always argued against the use of the term “Programme Led Apprenticeships” to describe what are in fact simply college based “Programme Led Pathways” offering the young person a programme of learning that could lead them into an Apprenticeship proper further down the line. We do of course recognise that there are a few instances where the young person is legally unable to be employed as an Apprentice (eg Care, where there are age restrictions that prevent this) and in those specific cases we do therefore support the definition of these unemployed but “work based” learners as Apprentices
7. From the start ALP has supported the concept of the National Vacancy Matching Service (NAVMS), feeling it will play a useful role in matching potential Apprentices with appropriate employers, but we do not believe it to be the sole answer to increasing employer engagement in the way needed to grow the programme in line with government targets, or indeed the most significant element. That will only be achieved by making better use of the training providers and their very experienced sales teams, and by taking off the restrictions to growth of Apprenticeship numbers imposed by the current LSC contracting system.

8. ALP has consistently argued the need for universal, impartial information, advice and guidance (IAG) for all young people on all the options and routes open to them, including Apprenticeships. We have argued that the decision to place the responsibility for IAG with local authorities and children’s trusts was a backward step and hope that the proposed changes to the Education Act 1997 will go some way to address our concerns. It is not completely clear from the draft, however, exactly what the requirement is, ie if the requirement is just to consider whether the young person needs to be told about Apprenticeships or not. If that were the case some young people might still not be told of the option, and we believe that would be wrong. All young people must be given information on all the options available to them. Given ALP’s wholehearted support for the need to ensure that all young people in schools are fully informed about the high quality vocational opportunities open to them, as recognised in this Bill, we would argue that this must be tackled by changes to primary legislation as proposed, rather than through other mechanisms such as statutory guidance. That would be much weaker in practice and easily ignored, whereas a legal right can be acted upon within the legal system by any student (or even provider).

September 2008

Memorandum 4

Submission from the Trades Union Congress (TUC)

TUC Comments on Apprenticeships Bill

Background

The TUC is a strong supporter of high quality Apprenticeships and welcomes the opportunity to contribute to the Innovation, Universities and Skills Committee’s inquiry into the Draft Apprenticeship Bill. The TUC is the voice of Britain at work and represents 6.5 million employees in 58 affiliated trade unions.

The TUC welcomed the announcement in the Queen’s Speech that an Apprenticeships Bill was to be introduced (see Annex I). The TUC made a detailed submission in response to World Class Apprenticeships: Unlocking Talent, Buildings Skills for All, which is available at: http://www.tuc.org.uk/skills/tuc-14518-f0.pdf. The submission welcomed many of these developments, however identified some concerns and areas that could have been strengthened. This note provides an overview of issues in relation to the draft Bill, a more detailed view on the content of the Bill will be forthcoming.

Overview

The TUC has welcomed the significant expansion of Apprenticeships over the last 10 years and believes that a renaissance is already well underway. The TUC supports the ambition to double the number of Apprenticeship places by 2020 and believes the draft Apprenticeships Bill will go some way towards meeting this target.

The expansion in Apprenticeships must be on the basis of high quality, employer based places, with a commitment to build equality and diversity. Ensuring quality programmes and a quality experience are crucial for the reputation of Apprenticeships. Quality in Apprenticeships is inextricably linked to the reputation of the brand and the TUC strongly believes that efforts to boost quality will have a positive impact on take-up of the programme, as both employers and learners will want to engage in high quality programmes.

More clearly defining the Apprenticeship experience is potentially an important step towards building quality across programmes. Clarifying what is contained in an Apprenticeship through standards to develop a more comprehensive vision of quality in Apprenticeships would be welcome. Further, clarifying expectations such as the on and off the job training to be delivered and the supervision required through an Apprenticeship Agreement could also help boost the Apprenticeship experience.

However, the TUC would be concerned if the Apprenticeship Agreement were to place additional or more onerous duties on apprentices than are expected of employees through implied and express terms contained in the average contract of employment. The TUC is opposed to any weakening of apprentice rights to unfair dismissal protection or any other employment rights. The TUC had supported the principle established in the Flett v Matheson case by the Court of Appeal that where an employer does not wish to continue to provide an Apprenticeship place there should be an obligation to try and find an alternative placement.
Apprentices sacrifice earnings in order to develop their skills and therefore should have some guarantee that they are able to complete their programme. Employers shouldn’t be able to end an Apprenticeship without taking some steps to ensure that the apprentice completes their training.

In relation to increasing the number of employer based Apprenticeships, TUC has concerns that while the Bill could improve Apprenticeship quality and boost the availability of places, it is unlikely to go far enough to achieve the challenging target of 400,000 Apprenticeships by 2020. In particular, the TUC believes there should be a greater use of levers to increase both public and private sector involvement in Apprenticeships such as the use of public procurement, sector levies and licence to practice arrangements. These are outlined in more detail in the TUC submission to World Class Apprenticeships.

The TUC has highlighted the important role of improving apprentice pay in boosting both quality and equality in Apprenticeships. The TUC welcomed recent announcement from the Secretary of State for Innovation, Universities and Skills that the minimum rate for apprentice pay in England will be lifted to £95 per week. The TUC has also recently made a submission to the Low Pay Commission’s review of the existing exemption of apprentices from the national minimum wage. The submission demonstrates the link between pay, quality and completion rates, including the need for apprentices to be able to afford to complete their programme. It is argued that removing the exemption and paying a decent rate will raise quality and completions and help narrow the gender pay gap in Apprenticeships. The full submission is available at http://www.tuc.org.uk/skills/tuc-15172-f0.cfm.

The TUC believes there should be greater recognition of the role of joint employer-trade union activities around Apprenticeships, which is an important mechanism for boosting demand for Apprenticeships. While World Class Apprenticeships outlines that trade unions will be involved in the development of the new blueprint, or Apprenticeship standards, trade unions can play a wider role in developing Apprenticeships. This role for unions was identified in the recent OECD report ‘Jobs for Youth’, which recommended that the Government should:

... ensure more involvement of unions in the design of new qualifications with a work-based component. In countries with a long tradition of apprenticeship training, unions are a key player alongside employers and the institutional actors. In Germany, unions have been instrumental in securing action from employers when apprenticeship places have proved to be insufficient to meet demand. In England, unions should be involved in the design of apprenticeships and other work-based learning initiatives alongside Sector Skills Councils (OECD, 2008).

In responding to World Class Apprenticeships, the TUC also identified a concern about a lack of clarity in arrangements for monitoring quality. There was a reference in the Queens Speech 2007 to quality inspection, and the TUC believes this issue should be revisited. This is an area that trade unions should also have a role in. The TUC is however concerned about proposals around ‘bureaucracy busting’ around Apprenticeships. Efforts to expand Apprenticeships should not be at the expense of quality and standards, and external inspection arrangements play a key role in ensuring a safe and healthy working environment (see Annex 2).

September 2008

Annex 1

TUC WELCOMES APPRENTICES BILL

Commenting on the Draft Apprenticeships Reform Bill in today’s Queen’s Speech, TUC General Secretary Brendan Barber said:

“The TUC welcomes measures to improve the number of apprenticeships on offer to young people starting out in the world of work and to older workers looking for a change of direction. More must be done to encourage employers to take on more young black and Asian people, and greater efforts are needed to support women into apprenticeships in areas like engineering and construction that are still dominated by the boys.

“If apprenticeships are to offer meaningful career opportunities, they must be of good quality, where apprentices are treated well and earn a decent wage. Legislative powers to regulate and promote apprenticeships give the opportunity to do just that, and it is important we get it right. The Government should ask the Low Pay Commission to review the current minimum wage exemptions that apply to apprentices.”

November 2007

Annex 2

TUC General Secretary Brendan Barber said: “Quality and standards in apprenticeships must not be compromised in the name of ‘bureaucracy busting’.

“There is nothing wrong with making the best use of technology and ensuring processes are ‘joined up’, but external inspection plays a key role in ensuring that apprenticeship quality is up to scratch.
“Too many apprentices have already lost their lives due to inadequate safety standards. Instead of basing requirements for apprentices on employers’ existing health and safety systems, the Government should acknowledge that many of these systems are totally inadequate—hence the high injury and illness rate amongst young people starting work.

“Any organisation employing apprentices must have good health and safety practices and fully comply with the law, and the Government should be stepping up employer involvement in apprenticeships.”

August 2008

Memorandum 5
Submission from the Royal National Institute of Blind People (RNIB)

INTRODUCTION

About RNIB

As the leading organisation of blind and partially sighted people in the UK, RNIB is pleased to have the opportunity to submit evidence to the Innovation, Universities and Skills Select Committee.

We are a membership organisation with over 10,000 members who are blind, partially sighted or the friends and family of people with sight loss. Over 80 per cent of our Trustees and Assembly Members are blind or partially sighted. We encourage members to be involved in our work and regularly consult with them on government policy and their ideas for change.

As a campaigning organisation of blind and partially sighted people, we fight for the rights of people with sight loss of all ages in each of the UK’s countries. We work to:

- improve provision within health and social care services;
- increase the amount and range of accessible information;
- improve the lifelong learning opportunities for blind and partially sighted people;
- tackle discrimination in employment and support more blind and partially sighted people into work; and
- ensure a secure income for blind and partially sighted people unable to work or who have retired.

We also provide expert knowledge to business and the public sector through consultancy on improving the accessibility of the built environment, technology, products and services.

Our employment work

RNIB has contracts or sub-contracts for Pathways to Work, Work Preparation, NDDP, Access to Work, various ESF co-financed projects with Jobcentre Plus, LSC and local authorities and IAG contracts with Connexions. In 2007–08 our employment staff provided advice services to 2,574 people, trained 361 employers and supported 906 blind and partially sighted people to gain or retain work.

We have two training centres (RNIB College Loughborough and the Employment and Learning Centre in Edinburgh) that support people with sight loss, many of whom have additional disabilities. Through this provision we support LSC funded students and also run residential training programmes for adults, funded through the Residential Training Unit (RTU).

EXECUTIVE SUMMARY

- RNIB is pleased that the Government have adopted proposals outlined in “Unlocking talent, building skills for all” and Lord Leitch’s Review of Skills;
- RNIB welcomes statutory entitlement to an apprenticeship;
- We believe that offering skills based learning, practical work place experience and a recognisable qualification is a valuable and useful choice for learners;
- Skills based learning in a working environment is especially beneficial for blind and partially sighted young people;
- Apprenticeships will also offer employers a positive experience of engaging blind and partially sighted learners;
- The Government have a duty to ensure that the Apprenticeships scheme is accessible to blind and partially sighted young people;
- Provision must be made to supply essential assistive technology to allow equal access for disabled apprentices from enactment of this bill (not 2013 as outlined in the draft);
Innovation, Universities, Science and Skills Committee: Evidence

— The Secretary(s) of State and the Learning & Skills Council (LSC) have a duty to provide apprenticeship places and appropriate support. We believe that this duty and the department’s general duty for disability equality should include the provision of assistive technologies or other appropriate support;

— RNIB also believe that the Secretary of State has a duty to ensure accessibility of the scheme through the mechanism to approve each apprenticeship framework;

— The provision of assistive technology or appropriate support should be made through the Access to Work (AtW) scheme as experienced specialists although this support must be resourced separately not from existing AtW funding (or increases proposed in the Welfare Reform Green Paper);

— The Department’s or LSC’s failure to make the necessary provision or to make the apprenticeships scheme accessible could be considered a breach of the general duty to promote disability equality.

Does the Bill meet with the Government’s policy objectives to set up a system of “world class” Apprenticeships in the most effective way in a reasonable timeframe?

1. RNIB welcomes the bill. We believe that creating a statutory entitlement to apprenticeships is a positive step towards reducing the skills gap and the change in compulsory participation age makes this bill even more critical to creating a skilled workforce. It also benefits learners by creating more learning routes. World class apprentices are achievable if they take advantage of all of the available talent, RNIB believes that the potential of blind and partially sighted people are too often overlooked.

Will the Bill lead to a renaissance in apprenticeships?

1. We recognise the benefits that vocational learning offers both in terms of gaining skills, work experience and broadening knowledge. These benefits have added value for blind and partially sighted learners—already distanced from the labour market. Through widening knowledge and developing practical skills blind and partially sighted apprentices and their employers will build their confidence together. Work related experiences will also help to bridge the gap between the labour market and blind and partially sighted apprentices.

2. RNIB would like to see a renaissance in apprenticeships that facilitates the participation of blind and partially sighted young people, widening their knowledge and developing skills that give them the same opportunities for work as their peers. We believe that if the Government takes its Disability Equality Duty seriously and makes a commitment to implementing the Special Educational Needs Discrimination Act (SENDA) in respect of the Apprenticeships Scheme than a real renaissance is possible but probable.

Is there anything missing from the draft bill?

1. The Government and its departments have a general duty to promote disability equality in all areas of work. Failure to make the Apprenticeship scheme accessible to all now and after creating an entitlement to an apprenticeship would be a breach of this duty.

2. The Secretary of State and the LSC also have an explicit duty within Clause 21 of the draft bill to “secure sufficient and appropriate” apprenticeship places, we believe that should apprenticeships not be accessible they would also breach this duty.

3. The Secretary of State and LSC also have a further duty to provide support and assistance under clause 22(b) Section 1:

   “...encouraging, enabling or assisting the effective participation of persons in England in employment and training provided for by apprenticeship places”

4. RNIB has a number of comments regarding this duty. We believe that this duty should cover the provision of support or assistive technologies to enable disabled people to access and participate in apprenticeships in the same way as any other learner, they should be given the same information and opportunities to take up an apprenticeship if they wish and apprenticeship frameworks should be developed that are accessible in terms of content, training, teaching, evaluation and examination.

5. RNIB are concerned that the above duty is not due to be enacted until 2013 although entitlement is due to be enacted immediately thus placing barriers to inclusion and participation in front of potentially thousands of disabled young people. In addition, we are seeking reassurance that resources will be made available to facilitate disabled learners. The department does not envisage costs to go beyond those already accounted for in departmental budgets—this does not bode well for disabled people.

6. To discharge the duty in Clause 22 (b) S1 RNIB believes additional resources must be allocated to provide necessary support for disabled apprentices. The Access to Work (AtW) scheme is the best vehicle for the assessment and delivery of appropriate support however, current AtW budgets nor any future
increases (as outlined in the Welfare Reform Green Paper) should be used to fund this support to the
detriment of other working disabled people. We believe the department and the LSC should resource this
separately as part of their duties.

September 2008

Memorandum 6
Submission from Network Rail

Summary

1. As one of the biggest investors in vocational training and development in the country, Network Rail
welcomes many of the measures in Government’s draft bill to allow apprenticeships and vocational training
to grow.

2. With a significant investment programme to improve the railway proposed over the next five year rail
regulatory period, starting in 2009, and in delivering the Government’s 30 year rail strategy, Network Rail,
and the industry generally, needs more adequately qualified apprenticeship candidates and engineers.

3. However, Network Rail would like to see further measures in the bill to deliver more apprenticeships:
   — increase places and funding for apprenticeships for those aged 19 and over and in geographical
     areas with shortages, such as London and the South East; and
   — reduce external inspection, assessment and assurance for employer delivered apprenticeship
     schemes and increase self assurance and governance of standards for such schemes.

Network Rail Comments on Specific Sections of the Draft Bill

Apprenticeship Frameworks (Clauses 7–10)—are the arrangements detailed in this section right?

4. Network Rail welcomes the opportunity for employers to submit draft Apprenticeship Frameworks.
We already run one of the largest apprenticeship schemes in the country, which will produce over 2,000
skilled technicians in the next 10 years.

Specification of apprenticeship standards (Clauses 11–15)—are the arrangements detailed in this section right?

5. Network Rail is calling for this bill to include measures to address the problem of over inspection and
excessive outside assurance and governance of apprenticeship schemes delivered by employers.

6. Therefore, in preparing a draft specification of apprenticeship standards, Network Rail would like the
Learning and Skills Council to also draft and submit a specification for the self assessment and assurance
of standards for employer delivered apprenticeship schemes (Clause 11). This should be done in consultation
with the employers who will deliver apprenticeship schemes.

7. Currently, we find the LSC and Ofsted increasingly bureaucratic and their auditing of our standards
excessive. Network Rail is an employer, not a training provider, and we do not generate income from our
training. However, nonetheless, we face the same level of external inspection and assessment as a college or
commercial training provider. For example, we are subject to a full Ofsted inspection which diverts a lot of
time and energy which we should be concentrating on the delivery of our apprenticeship scheme.

8. Network Rail fully accepts the need for some outside assessment of its apprenticeship scheme to ensure
that its high standards are monitored and maintained but we also believe that it should be rigorous without
being excessively detailed. Rather, employers themselves should take the lead role in determining and
maintaining the standards of their apprenticeship schemes so that they are driven by the needs of their
business.

9. Indeed, the processes that Network Rail are currently externally audited against are already very
similar to our internal best practice which we undertake as a matter of course.

10. Rather than providing the LSC with monthly feedback, we would like to move towards a system of
self-assurance and self-governance of our standards. We believe that the requirement on the LSC to specify
apprenticeship standards for the Secretary of State provides an ideal opportunity to move towards such a
system.
11. Network Rail is calling for this bill to require the LSC to increase the funding and availability of apprenticeship places for those aged 19 and over.

12. It currently costs Network Rail £56,000 to train an apprentice over three years (this covers salary, training costs and accommodation) in addition to any LSC funding.

13. The LSC provides £14,500 of funding for all apprentices aged 16–18, but only half as much towards the cost of training for those aged 19 and over.

14. As students are staying on longer at school and college we are finding that those applying for apprenticeships are getting older and we believe that LSC funding needs to adapt to this change.

15. Network Rail is also very keen to recruit additional older apprentices because we find they are often well suited to our scheme. We believe the Government and the LSC should welcome and support this recruitment of older candidates and this bill should provide for more places and full funding for those apprentices aged 19 and over.

16. Therefore, in amending the 2000 Learning and Skills Act, Network Rail believes this bill (in Clause 21) should require the LSC to secure sufficient availability and funding for apprenticeship places and that this duty should extend to persons over the age of 19 years old rather than those who are under 19, as specified in the 2000 Act.

17. Network Rail would also like the LSC to target more apprenticeship funding and places in particular geographical areas where there are shortages of apprentices and skills, particularly London and the South East. The government should also try to provide other incentives to apprentices who train in London and the South East where there are skills shortages and the cost of living is high.

September 2008

Memorandum 7
Submission from the British Chambers of Commerce (BCC)

About the British Chambers of Commerce

The British Chambers of Commerce is the national body for a powerful and influential Network of Accredited Chambers of Commerce across the UK; a Network that directly serves not only its member businesses but the wider business community.

Representing over 100,000 businesses and 5 million employees, the British Chambers of Commerce is The Ultimate Business Network. Every Chamber sits at the very heart of its local business community working with businesses to grow and develop individuals, businesses, communities—and ultimately, the nation’s economy—by sharing opportunities, knowledge and know-how.

No other business organisation makes such a difference to business as the British Chambers of Commerce.

Summary

— The British Chambers of Commerce is supportive of any planned increase in the number of apprenticeships undertaken. We believe that providing a statutory basis for apprenticeships is a positive step forward, and will help to make then a mainstream option in 14–19 education.

— Apprenticeships must be employer led and focused on business needs, while also containing an element of accredited training that will allow progression for the apprentice. Elements of apprenticeships must tie in with other qualifications to make the system cohesive and understandable.

— Clear and impartial information, advice and guidance is also needed in schools and college to help young people make appropriate decisions about their futures.

— The National Apprenticeship Service must be regionally rooted, within existing organisations and be as light-touch as possible, otherwise it will just serve as a disincentive for employers. Equally quality assurance must also be un-bureaucratic.

— Apprenticeships should be firmly rooted within the qualifications frameworks, and have clear routes of progression into higher qualifications as well as within employment.
INTRODUCTION

The British Chambers of Commerce supports the proposal that apprenticeships should be a mainstream educational option for young people. Likewise, we support the premise that a greater number of apprenticeships places should be created. While the Diplomas will introduce a much needed element of work skills into the classroom, many young people will benefit from the offer of apprenticeships as a wholly vocational pathway based with an employer rather than in a programme.

A STATUTORY BASIS FOR APPRENTICESHIPS

The BCC recognises that providing a statutory framework for apprenticeships will mean that they are more likely to become a mainstream option in the way that A-Levels, GCSEs and Diplomas are today. However, there is also concern over a number of issues regarding the nature of a statutory framework.

The statutory basis for apprenticeships must not result in increased bureaucracy. Too much paperwork has been cited as a reason why many employers have been apprehensive about taking on apprentices. If this issue is not addressed, it will derail the government’s plans, as businesses will be unwilling to engage with the system. The Secretary of State for Universities, Innovation and Skills has promised that he would look into the reduction of the bureaucracy associated apprenticeships. We look forward to seeing action in this area.

Employers must have of freedom in deciding what apprentices they need and the types of skills that their apprentices should develop beyond the functional and generic learning of apprenticeship programmes. Taking on apprentices will, and should ultimately always be a business decision dictated by the individual needs of that business.

The BCC supports of the introduction of certification for apprenticeships. Certification will help to give apprenticeships a similar status to other mainstream qualifications, and also facilitate progression routes of apprentices once their study is completed.

BLUEPRINTS—EMPLOYER LED VERSUS PROGRAMME LED COURSES OF STUDY

The broad outline for apprenticeship blueprints outlined in the draft Bill is the correct one, but should be as light-touch and bureaucracy free as possible otherwise business will not want to take on apprentices.

Businesses believe that all apprenticeships should be essentially employer led, with programme based training elements that occupy no more than one to two days per week of the apprentices time depending on the apprenticeship and stage of study. The BCC does not believe that programme led vocational courses can be considered to be apprenticeships. Such courses often feature training grouped together in a single block and no direct relationship with an employer sourced from the outset. Such programmes only serve to weaken the apprenticeship brand and give young people a less practical learning experience compared to employer led apprenticeships. Being attached to an employer is essential for the apprentice’s interpersonal skills, personal management skills and wider functional skills to develop, as well as to help them put theory into practice.

APPRENTICESHIPS AND THE WIDER QUALIFICATIONS STRUCTURE

We believe that apprenticeships should be placed within the wider qualifications structure from the outset. This is important because it will give them a better status when placed alongside other qualifications than they currently have. This will also aid in progression to further and higher education, as well as within employment. The planned introduction of a National Qualifications Framework will be of great benefit to employers and will help to strengthen apprenticeships. The core elements of apprenticeships, Diplomas and the functional skills that are to be part of the general route (GCSEs and A-Levels) should be related and interchangeable, as this will add coherence and cohesion to the system.

The relationship between apprenticeships and Diplomas is clearly an important one. Diplomas are designed as a bridge between academic and vocational learning, and we conceive that many students who undertake the Diploma will progress onto apprenticeships. Relevant parts of the Diploma should be co-ordinated with the programme elements of apprenticeships to ensure that the relationship between the two qualifications is as complementary as possible.

Mutual weight to credit within elements of each qualification should be ensured also, as this would mean that students would find it easier to transfer between the two streams if they found one unsuitable. This would help counter the problem of young people between 18 and 19 years of age who are not in education, employment or training (NEET). Many people in this age group who find themselves NEET do so because they have dropped out a course they have found unsuitable, but have been unable to start another course or programme immediately. If the qualifications marry up effectively, it would reduce this group by aiding transferability.
There must also be clear progression routes for certain apprenticeships up through the qualifications ladder. For example, certain engineering apprentices will wish to gain Level 4 qualifications (Bachelor degrees). This will help to increase the image of apprenticeships and will encourage more young people to undertake them.

In apprenticeship frameworks, it is likely that NVQs will make up the part of the programme element. The quality of NVQs must also be analysed and be addressed where it is found wanting. NVQs must also be placed into smaller units so that employers can create programme elements that are most suited to their businesses needs.

**INFORMATION, ADVICE AND GUIDANCE**

For apprenticeships to become a mainstream option, young people need to be given effective and impartial information, advice and guidance. Schools and colleges must be able to promote apprenticeships to young people and their parents as a realistic and valuable option for certain learners. Without this support form the educational establishment, the government will be unable to increase the number of young people undertaking apprenticeships.

The government should ensure that it uses its existing organisations, such as Connexions to distribute information on apprenticeships. Experience of organisations such as Connexions greatly varies across the country and efforts should be made to ensure that quality is more uniform.

Any money distributed to schools should be ring-fenced or administered externally through existing agencies. We also do not believe that information, advice and guidance is effective when administered internally in schools and colleges as teachers have a tendency to encourage young people to stay on academic routes rather than equally valuable vocational ones. British society currently has a natural prejudice against vocational routes, which encourages teachers to only push the less academically inclined down vocational routes when in reality some apprenticeships, such as those in high-tech engineering firms are equally as challenging as applied academic routes, and require highly able young people.

Evidence suggests that this problem is exacerbated in with school sixth forms. As schools and colleges get money per student, year 12+ students are a very valuable commodity and schools do not want to run the risk of loosing good students to courses they do not run. Vocational courses are only promoted to those who are not wanted back in 6th form hence the social image of these courses is very low. This must be addressed.

More information should be provided to schools at an earlier stage. Schools should be encouraged to identify champions for apprenticeships among the staff and pupils, and bring back pupils who have been successful as apprentices to speak to youngsters and show that apprenticeships are a viable alternative.

**NATIONAL APPRENTICESHIP SERVICE**

The BCC believed that the reforms outlined by Raising Expectations were an unnecessary part of a long history of organisational change in Further Education by the Labour government. Despite its faults, a slimmed down and less bureaucratic LSC would have been the natural home for national co-ordination of apprenticeships.

While we appreciate that knowledge about apprenticeships opportunities would be increased with a national service, businesses are also worried about yet another bureaucratic agency, which instead of making it easier for businesses to find an apprentice actually complicates matters. Steps must be taken to ensure that the service is as light touch as possible, and that it is integrated into an existing agency to avoid costly creation and set up costs.

The design of the NAS must recognise the needs of regional businesses, and must be firmly rooted locally.

The creation of a National Apprenticeship Service must also take into account the existing strong relationships between businesses and training providers. There is serious potential for existing productive relationships to be irreparably damaged.

**QUALITY ASSURANCE**

Ensuring that the quality of apprenticeships is maintained is important to businesses. If quality is not maintained, the government’s attempts to increase the number of young people undertaking apprenticeships will be unsuccessful in the medium to long term, as firms will not get the skills they want from apprenticeships, and young people will not want to undertake courses which have little prospect of progression.

It is important that the external programme element of apprenticeships is examined, as this will give the apprentice clearer progression routes into promotion, further employment, or higher qualifications. The basis of this should be the NVQ system.

SMEs would find an over burdensome inspection regime a disincentive to take on apprentices, although would want the quality of training providers that they use to be of assured high quality. Ensuring the quality of apprenticeships in what is essentially a target driven culture is a challenge. There needs to be an
independent assessment on the quality of apprenticeships preferably by industry experts. Any quality assurance and inspection of the work-based elements of apprenticeships needs to come from an impartial source which is in touch with the needs of the industry.

Part of ensuring quality is through the provision of support for companies who take on apprenticeships. While large companies have the resource to manage a complex apprenticeship programme, smaller firms below 50, usually without HR or training specialists will require further help to run high quality apprenticeships. Any help given should focus on support rather than inspection and appraisal.

**Encouraging more employers to take on apprentices**

It is clear that for the government to meet its target to increase the number of young people undertaking apprenticeships, more employers must be encouraged to take apprentices on. Government needs to increase awareness of the advantages of apprenticeships among SMEs, while business has to be convinced that the apprenticeship programme is robust and flexible enough to meet its requirements. Business will be encouraged if they believe that apprenticeship schemes are employer led and industry focussed, and meet the needs of businesses, industry and the young people involved.

Businesses, especially SMEs, will require financial incentives and support for taking on apprenticeships. When creating an apprenticeship programme, employers are making an investment in a young person from whom they will not see a return on until year two or three of a programme. In light of this, additional financial support in the first year of training could encourage businesses to take on more apprentices. This is especially the case for SMEs, for whom taking on apprenticeships is a large resource investment in terms of both time and money.

*September 2008*

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**Memorandum 8**

**Supplementary submission from the Trade Union Congress (TUC)**

**Apprenticeship Certificates**

The TUC welcomes the introduction of Apprenticeship certificates with a national brand and format as outlined in World Class Apprenticeships. This is an important way to recognise the achievements of apprentices and also build more widespread awareness of Apprenticeships as a high quality pathway. Apprenticeship certificates should be established in a way that clarifies progression pathways from Apprenticeships into higher education.

However to make this work, it is also important to ensure that all Apprenticeships are viewed as high quality options. This might require the levelling up of some programmes. Other aspects of the draft Apprenticeships Bill such as Apprenticeship standards and the approval process for Apprenticeship frameworks are important in this respect.

The TUC would also like to see the Apprenticeships certificate linked to the development of Licence to Practice arrangements, as outlined in the Queens speech in November 2007. This is important for raising demand for skills and building the skill base of the economy.

**Apprenticeship Frameworks**

The process for approving Apprenticeship frameworks is important in ensuring that frameworks meet the needs of industry, but also the needs of learners. Approvals of Apprenticeship frameworks should be a lever for improving quality. Sector Skills Councils are well placed to develop Apprenticeship frameworks, but trade unions should be involved in this process given their experience and expertise in identifying industry skills needs and ensuring quality. This should be recognised either in the primary legislation or underpinning regulations.

**Apprenticeship Standards**

The TUC has supported the expansion of the areas covered in the Apprenticeships Blueprint (to be renamed Apprenticeship standards) and giving the standards a statutory underpinning. The TUC welcomes the introduction of a power for the Secretary of State to direct the LSC to prepare a draft specification of apprenticeship standards. The TUC would welcome a clear commitment from the Government that this power will be used at an early stage.
The commitment in World Class Apprenticeships that unions would be consulted on the new version of the Blueprint (now Apprenticeship standards) was welcome. The legislation notes that the Council must ‘consult such persons as appear to it appropriate’. However the TUC believes that either the legislation itself, or the regulations should explicitly identify the types of groups which should be consulted, including trade unions.

It is important that clarity is achieved in identifying the required learning that forms an Apprenticeship framework. In addition to requiring a knowledge based element, competency based element, key skills and employment rights and responsibilities, the TUC believes that clear progression routes and a reasonable minimum time for off-workstation learning time should also be included. It is not clear from the draft bill that these are required aspects of the Apprenticeship standards.

It is important that employment rights and responsibilities (ERR) continue to be included as required areas of study in all Apprenticeships. The required elements within ERR are currently equality of opportunity and health and safety, although the content and assessment is the responsibility of Sector Skills Councils. Given the role of Apprenticeships as preparing learners for the world of work, there should be a more inclusive approach to employment rights and responsibilities that makes inclusion of basic employment rights mandatory, including the right to join a trade union. The TUC produces materials in these areas, including A Better Way to Work, which include information on employment rights and responsibilities designed for those on Young Apprenticeships and work experience placements. It might be useful to consider how this work could be expanded and linked to Apprenticeships.

The current Apprenticeships blueprint allows that the key skills components of Apprenticeships might be at level 1 for an Apprenticeship, and level 2 for an Advanced Apprenticeships. In other words, the minimum level of key skills as set out in the current Apprenticeship Blueprint is one level below the relevant NVQ. This should be reconsidered in revising the blueprint and developing Apprenticeship Standards, as this seems out of step with the NVQ level within the Apprenticeship framework and may give the appearance of lowering the quality of the framework. It could also have implications for the work in developing progression pathways to higher education.

As the draft bill is currently constituted, it might be interpreted that if an Apprenticeship does not meet all of the standards, it can cease to be considered an Apprenticeship. If this is the case, steps must be introduced to ensure that this does not cause a detriment to the learner.

Apprenticeship Agreements

The TUC had supported the principle established in the Flett v Matheson case by the Court of Appeal that where an employer does not wish to continue to provide an Apprenticeship place there should be an obligation to try and find an alternative placement. Apprentices sacrifice earnings in order to develop their skills and therefore should have some guarantee that they are able to complete their programme. Employers shouldn’t be able to end an Apprenticeship without taking some steps to ensure that the apprentice completes their training.

The TUC believes that the intent of section 18 needs to be clarified, in order to make it clear that the intention is that apprentices are protected against an employer making a change to an apprentice’s status without their knowledge. However it needs to be clearly articulated that if this is the case, the apprentice continues to be protected under an ordinary contract of employment, with the requisite unfair dismissal protections. Further, the TUC would also argue that it is not sufficient for an employer to provide written notice of variation of an apprenticeship agreement. Rather, any variation should only be with the agreement of the apprentice.

It is welcome that the proposed Apprenticeship Agreements is to set out both the on the job and learning away from the workstation that will be delivered, the job role an apprentice will be qualified to hold upon completion, and the supervision an apprentice will receive throughout the period of an Apprenticeship. These should be set out in section 16(2) in order to give to give enabling power through legislation.

In relation to Apprenticeship Agreements, the TUC would oppose any changes to established employment law (in addition to changes in relation to Flett v Matheson) that apprentices are deemed to have a contract of employment for the purposes of the Employment Rights Act 1996 and other legislation. The TUC accepts that an Apprenticeship Agreement could set out the hours that apprentices are required to work. However, what is meant by the term “effort” is not clearly defined. The TUC would oppose the Apprenticeship Agreement placing additional or more onerous duties on apprentices than are expected of employees through implied and express terms contained in the average contract of employment. The TUC is opposed to any weakening of apprentice rights to unfair dismissal protection or any other employment rights.

The TUC supports the introduction of mentors for apprentices, as such additional support has often been identified as a factor in successful Apprenticeships. Mentors are not specifically mentioned in relation to the draft Bill, and the TUC hopes that this important development is maintained. It is important that the role of mentors is clearly outlined, what constitutes good practice is firmly established and that mentors receive
appropriate training. For example good practice would usually include a principle that a mentor should usually be a different person to the supervisor. This is an area where the role of union learning representatives (ULRs) could usefully be explored.

Further, the TUC would like to be involved in the development of any model Apprenticeship Agreement.

DUTIES OF LSC

It is welcome that there will be a duty for the LSC to promote Apprenticeships, and that there is a focus on employer based places. However one of the challenges the TUC identifies in implementing the Apprenticeships Bill, is ensuring that the LSC has sufficient levers to boost high quality employer places. The establishment of the National Apprenticeships Service will be a useful step towards meeting this goal, however other levers such as the use of public procurement to boost Apprenticeship places would increase this capacity further. There should be urgent clarification of the potential for the use of public procurement in increasing Apprenticeships, as well as licence to practice arrangements. The TUC is concerned about the proposals for “overtraining” for the sector, because this approach is less likely to result in a job at the end of it.

CAREERS EDUCATION

The bill sets out that schools will need to ensure that any consideration of what careers advice would be in the best interests of their pupils covers consideration of whether it would be in their best interests to receive advice which relates to Apprenticeships. This is welcome as it is important that Apprenticeships are recognised as a high quality pathway and presented as options to students. However it is important to recognise that this does not require that Apprenticeships are always mentioned as an option, although there is some argument that they should. It is important that staff have appropriate information and support, including on breaking down stereotyping. The TUC is also concerned that league tables may create tensions with these proposals.

September 2008

Memorandum 9

Submission from SEMTA

Semta will be making a full response to the consultation on the Bill, and our understanding is that the Select Committee will receive a copy of this response as part of its inquiry.

To assist the Committee, we therefore summarise the content of our response below, and would welcome the opportunity to take part in the inquiry as it progresses.

KEY POINTS OF THE SEMTA’S RESPONSE

1. The ongoing role of Sector Skills Councils in developing and “owning” apprenticeship frameworks is not appropriately recognised in the Bill.
2. SSCs must retain the role of “certifying authority” if apprenticeships are to retain their value, employer-focus, coherence, and sector-relevance.
3. The ongoing role of Sector Skills Councils in advising on the specification of apprenticeship standards is not appropriately recognised in the Bill.
4. It is not clear how LSCs will be able to “secure availability of apprenticeship places” without compromising quality.
5. The wording of the clause on careers information, advice and guidance should be stronger, with schools and careers providers having to justify reasons for NOT advising on apprenticeship.

September 2008

13 Sector Skills Council for Science, Engineering and Manufacturing Technologies
Memorandum 10

Submission from the Financial Services Skills Council (FSSC)

DRAFT APPRENTICESHIPS BILL

The Financial Services Skills Council (FSSC) is an independent, employer-led organisation, established in 2004 to provide strategic leadership for education, training and skills development for the financial services, accounting and finance industries across the UK. The FSSC aims to improve productivity and business performance by ensuring that the industry is equipped with the range and level of skills that it needs.

We, the FSSC, welcome the publication of the Draft Apprenticeships Bill for the future of Apprenticeships in England “World-class Apprenticeships”. The future of competitive and productive financial services, accounting and finance industries depends on providing employers and employees with the skills they need. We have been successful in raising the profile of apprenticeships in the financial services sector and believe the prominence given to Apprenticeships by the Government will support our work in this area.

1. Does the bill meet the Government’s policy objectives to set up a system of “world class” apprenticeships in the most effective way within a reasonable time frame?

As previously mentioned in our response to “world class apprenticeships” we would have concerns over the review of the current apprenticeship blueprint and the proposals to include personal learning and thinking skills and functional skills in maths and English. Apprenticeship frameworks should be employer led and these proposals may stop employers engaging in apprenticeships because of qualifications they do not want. We have also had difficulties in the past inserting a level 3 qualification in a level 2 framework as requested by employers.

We are also not convinced by the proposals for employers and providers to develop their own frameworks and believe that this has the potential to conflict with the desire for consistency in the standard of frameworks. We believe that a truly flexible Blueprint would negate the need for frameworks to be developed by a number of organisations and approved by the relevant SSC.

We are concerned of the proposals that the Secretary of State can approve frameworks without further recourse to the Sector Skills Council. We are concerned that this could dilute the impact of Sector Skills Agreements and Sector Qualifications Strategies, both of which should form the basis of future development for a sector. As these are living documents, it is important for SSCs to be aware of all initiatives linked to them and for that awareness to remain current.

2. Is the bill workable?
3. Will the bill lead to a renaissance in apprenticeships?

No, not unless employers across all sectors are convinced of their benefits.

4. What is the cost?
5. What impact the bill will have on current institutional structures?
6. Is there anything missing from the draft bill?

As previously mentioned in our response to “world class apprenticeships”, we would like to propose that the current 5 year cut off for key skills exemptions be waived. At present, this arbitrary rule acts as a barrier for individuals and employers enrolling onto Apprenticeships. We believe the prior achievement of qualifications in communication and numeracy to be acceptable evidence of mastery in these areas.

For those who do not hold prior qualifications, we would like the provision of a portfolio of evidence to suffice and for the key skills tests to become optional. Mastery of the requirements is demonstrated adequately through a portfolio and the insistence on a further test adds nothing. The success of the model in Wales, where the key skills test requirement was removed some years ago, illustrates that the portfolio is strong enough to stand alone.

We support, in principle, the idea of new matching services for employers and individuals. However, we must emphasise the importance of field staff having excellent sector knowledge in order to engage employers effectively. Our experience of skills brokers working with financial services through Train to Gain has been far from positive. A notable lack of sector knowledge among skills brokers has had a detrimental effect on financial services employers’ willingness to engage with Train to Gain. We are very keen that this experience not be repeated for Apprenticeships. We would welcome the opportunity to be included in any national or regional strategy to ensure synergy with the financial services Sector Skills Agreement and Sector Qualifications Strategy.
We believe that the provision of high quality, accurate information, advice and guidance will be key to the success of Apprenticeships and all other learning programmes. Clarity must be given to parents, schools and employers on matters such as the benefits of Apprenticeships, how they sit alongside other options such as Diplomas, how to select and begin an Apprenticeship and what progression opportunities exist.

We feel strongly that the current Blueprint is not flexible enough to respond to employers’ needs. We faced a concrete example of this barrier in 2006, when attempting to include a Level 3 unit in a Level 2 apprenticeship. This was in direct response to employer demand and followed a model that had operated successful in a previous framework. However, this was not accepted by the Apprenticeship Approvals Group as it did not conform to the prescriptive requirements of the Blueprint.

We feel that there are insufficient employer incentives to raise employer demand. Apprenticeships will need to be made attractive to employers or the expansion will not happen.

September 2008

Memorandum 11
Submission from Edexcel Ltd

Scrutiny of the Draft Apprenticeships Bill

The thrust of this submission is that the Bill, as presently drafted, would appear not to address the following issues:

— the 7:1 imbalance between potential apprentices and employer places, illustrated by the 70% disinterest on the part of surveyed SMEs;
— the critical success factors which would make apprenticeships attractive to employers and lead to effective policy implementation;
— ways in which the blueprint and frameworks might accommodate effective in-house training by large employers;
— opportunities for leadership on the part of public sector employers; and
— key obstacles to increased participation by potential apprentices of all ages.

The Bill would therefore appear to fine-tune a system which, as presently conceived, will not achieve policy objectives.

1. Does the bill meet the Government’s policy objectives to set up a system of world class apprenticeships in the most effective way within a reasonable time frame?

1.1 No. The Bill does not adequately address the main constraints on provision of apprenticeship places by employers, which are well illustrated in the recent Apprenticeship Survey carried out by the Federation of Small Businesses and which are likely to be even more significant in the current climate of economic uncertainty. Key findings are reproduced in section 1.2.

1.2 Out of 1200 employers surveyed, only 26% currently employ apprentices on a recognised programme. Of those which do not,

— 28% cite cost,
— 28% too many demands on time,
— 27% too much bureaucracy,
— 22% use their own training schemes,
— 21% have concerns about the quality of trainees,
— 22% cite other reasons, and
— only 6% see apprenticeships as irrelevant to their business.

1.3 Indeed the ratio of applicants to places based on LSC findings from 2005 would appear to be 7:1. This would suggest that the current system for providing apprenticeship places is not functioning effectively. In order for this Bill to address that shortfall, policy attention should address the reasons why employers are choosing not to provide places. Account also needs to be taken of those particular sectors, such as construction and engineering, in which the anticipated net benefits to the employer of training an apprentice may often be negative. Suggestions for ways in which the Bill might meet the Government’s policy objectives are offered in response to question 6.
2. Is the bill workable?

2.1 The bill is workable insofar as its measures lie under public control. The essential ingredient however, ie the willingness of employers to provide places, does not lie under public control and the Bill contains little incentive for employers to increase these.

3. Will the bill lead to a renaissance in apprenticeships?

3.1 No. The critical factor limiting such a “renaissance” will be hard-nosed commercial cost/benefit decisions taken by employers about the expected benefits to their business of training apprentices compared to costs in terms of time and effort. The projected benefits to society may be high but the net benefits to employers will be decided on a private and case-by-case basis. Assertions of social benefit will not engage private employers.

4. What is the cost?

4.1 We are not able to comment on this point.

5. What impact will the bill have on current institutional structures?

5.1 The Bill will have some impact on current institutional structures as the National Apprenticeship Service will have to carve out a new presence for itself in the labour market between employers on the one hand, and providers of education and training on the other. This process will take time and skilful liaison, at the same time as the LSC is wound up, while other replacement agencies, such as the Skills Funding Agency and Young People’s Learning Agency are developed. Meanwhile, Sector Skills Councils are continuing to refine sector qualification strategies and in some cases are struggling to secure buy-in from their sector and sub-sector employers. There will therefore be some institutional adaptation over the next three years as staff, expertise and business links move between agencies and bed down before beginning to contribute to policy implementation. Such “institutional churn” may prove to be lengthy and expensive, without necessarily making significant progress.

6. Is there anything missing from the draft bill?

6.1 Yes. The Bill needs to address the main drivers which will encourage proportionate participation by both employers and potential apprentices, given the 7:1 imbalance between the two recorded by the LSC in 2005.

6.2 As far as employers are concerned, the national “blueprint” and the development of apprenticeship frameworks and standards needs to reflect more clearly the interests and contribution of micro, small and medium sized enterprises, in their own right. Many SMEs appear to believe that their concerns and priorities are not fully understood or communicated by Sector Skills Councils. The blueprint and frameworks therefore need to be developed with the direct input of SMEs, eg through more representative intermediaries such as Federation of Small Businesses, in order to meet the needs of the majority of employers. They will also need to be sufficiently flexible to accommodate successful in-house training programmes of large employers whose structures may differ radically from the current Apprenticeship model. Public sector employers are particularly under-represented in providing placements, hence their concerns need to be researched, understood and addressed more effectively.

6.3 The apprenticeship “blueprint” and frameworks should further be designed to offer employers significant scope to accredit practical skills developed through the employer’s day to day core business activities, rather than conforming to national qualifications which may allow little connection with workplace priorities. Currently a proportion of employers find that some of the central features of the apprenticeship framework do not meet their needs. For example, National Vocational Qualifications are found to be overly rigid and bureaucratic, lacking consistency in assuring occupational competence, and focusing on assessment rather than supporting learning and skill acquisition for the kinds of learner attracted. The assessment facility preferred by employers is increasingly on-demand and onscreen, offering greater flexibility and presenting fewer obstacles than traditional portfolio compilation. Technical Certificates would appear to be more widely appreciated and the BTEC suite of short courses makes a valuable contribution to this provision, drawing on Edexcel’s many years of experience in supporting vocational skill development.

6.4 Arrangements for compensating employers need to be more direct and prompt, so that the cash flow vulnerabilities experienced by many small firms, especially those in the supply chain of large firms which often pay their small suppliers inordinately late, are not exacerbated by taking on an apprentice. Moreover 78% of respondents to the FSB survey said they would employ an apprentice if financial support was available from the Government, presumably at a commercially attractive rate or possibly through tax credits. This would appear to be a direct and effective policy instrument.
6.5 The obstacles of apprenticeship administration and management may be significantly reduced by “Group Training Associations” taking on the role of employer, providing a single point of accountability where an apprentice divides their time between a number of organisations, as with recruitment agencies. This would confirm clearly who “owns” and takes responsibility for the apprentice and facilitates management, administration and communication, removing a key obstacle to employer engagement.

6.6 There are markedly fewer placements provided by central Government departments or local authorities compared to private and voluntary sector employers; this gap is also amenable to policy intervention and offers the opportunity for public sector leadership.

6.7 As far as potential apprentices are concerned, a key barrier is seen as the required level of prior NVQ or Technical Certificate certification, ie a Level 2 Apprentice must have a Level 1 achievement recognised by qualifications. This may not allow adequate scope for adult workers to gain credit for competences they may have demonstrated in the workplace for many years, and which could indeed be passed on to younger learners. There is a case therefore for introducing more flexible and responsive ways of accrediting prior achievement and capability.

6.8 If the reputation of apprenticeships is to be enhanced, apprenticeship agreements as a contract of service should include reference to the legally entitled minimum apprentice wage, along with arrangements under which wage rates will be monitored. (Indeed 82% of the 1200 firms responding to The Federation of Small Businesses Apprenticeships Survey 2008 support an increase in the minimum apprentice wage to £110 per week). Moreover the apprentice should have information and access to redress where employers fail to pay the minimum wage if core learning about “employers’ responsibilities” is to be meaningful. Furthermore, communications to employers about the relative attractiveness of “low wage” apprentice labour should be reconsidered in order to raise the public esteem in which apprenticeships are held.

6.9 There is a key problem of access to placements by apprentices, especially in the economic downturn and in certain sub-regions and sub-sectors of geographic disadvantage, where choice of sector is limited. There may also be problems of access to public transport on grounds of cost and provision, if what is thought to be a “reasonable” travel area proves unattractive to potential apprentices. Travel concessions for apprentices would be useful here.

6.10 The are significant “integration challenges” presented to young women, ethnic minority and disabled apprentices, working in industries dominated by an “unrepresentative demographic”. The support of the TUC in helping diversify the apprentice workforce is to be welcomed and such measures will undoubtedly build the reputation of apprenticeships.

6.11 It is crucial that the provision of apprenticeship places does not focus disproportionately on the needs of the 16-19 age group which will shrink in size between now and 2020. SEMTA report, for example, that the skill set of workers employed in engineering-related trades aged 50+, who are likely to retire over the next 10 years, is significantly missing from those aged 40+, with an urgent need for investment in training and mentoring before those valuable skills are lost. The boundaries of this bill therefore need to be widened to take account of the contribution of apprenticeships across the full span of people’s working lives and should avoid a disproportionate focus on the 16–19 age group.

6.12 Collaboration between schools, colleges (both Sixth Form and GFE) and Work-Based Learning providers, as a feature of local partnership working, would provide an effective means of ensuring that effective information, advice and guidance is provided in this respect. The involvement of employers in providing information on apprenticeships, possibly in collaboration with Business Link and as co-ordinated sub-regionally by skills partnerships, would also ensure an appropriate perspective.

October 2008

Memorandum 12

Submission from the UK Resource Centre for Women in Science, Engineering and Technology (UKRC) and supported by the WISE Campaign14

1. Introduction and Summary

1.1 The UK Resource Centre for Women in SET works to significantly improve the participation and position of women in science, engineering and technology occupations in industry, research, academia, and public service to benefit the future productivity of the UK and the lifetime earnings and career aspirations of women. It is the UK’s leading centre providing information and advisory services to employers and organisations in the SET sectors and supporting women entering, returning and progressing in these fields.

14 The WISE campaign collaborates with industry and education to encourage UK girls of school age (19 and under) to value and pursue STEM or construction related courses in school or college and move on into related careers.

www.wisecampaign.org.uk
1.2 The UKRC and its partner organisations have considerable experience over a number of years of working on the under representation of women in Science, Engineering, and Technology and Construction/Built Environment atypical careers and occupations at all levels, including apprenticeships. This submission is based on this experience and additional analysis. From this point in the submission “SET” is meant to include the built environment and construction and includes Mathematics.

1.3 The UKRC has developed an integrated framework which addresses the whole of the potential education employment pathway (from school into and throughout working life), and encompasses all levels of learning and employment in SET, including vocational access routes and pre-16 supply interventions. The UKRC’s integrated framework identifies influencers and intermediaries (which are relevant to specific areas of education or work like apprenticeships, eg the Sector Skills Councils) whose policies or service delivery impact on women’s participation in SET learning and employment. These organisations can play an important role in promoting equality through better systems, structures, representations and processes and helping to breakdown gender based assumptions and stereotypes. An integrated framework recognises that coordinated interventions at all levels of learning and employment combined with awareness raising for those that educate and influence career decisions, are necessary to increase the participation and position of women in SET. Relevant policies should include gender equality in SET as a priority focus to support an integrated strategy.

1.4 The Gender Equality Duty, designed to mainstream equality considerations into policy development and implementation, applies to the development of Apprenticeships. Full application of its provisions and expectations would improve likely outcomes for women and girls.

**Recommendations**

Action is needed on two fronts: in relation to supply and demand issues. Individual girls and women have to be enabled and attracted into SECT apprenticeships. But, in addition, employers and learning or training providers have to transform curricula, the learning environment, work place culture and HR practices.

An awareness of the needs of atypical apprentices is implicit in the Bill’s spirit, but is also somewhat formulaic. What is lacking in the Review and hence the Bill are the specifics about the issues and practical measures which can address discrimination, gender stereotyping and male dominated cultures. UKRC draws the department and the Select Committee’s attention to the references to resources and good practice made throughout this submission and to our work with schools on Widening Horizons and the “How to” good practice guides published by UKRC and produced by the JIVE project.15

Section 2 provides an outline of evidence demonstrating the severe under representation of women in vocational training and occupations. It shows the extent of attrition and points out that there are considerable resources available, which describe the situation and provide solutions.

Section 3 looks in detail at the limitations of the bill and makes a number of recommendations and suggestions which the committee is invited to consider in detail in that part of the submission.

Our further specific suggestions which form Section 4 are presented here and not repeated below:

1. Positive action targets to increase the numbers of women in occupations and crafts where women are currently under represented.

2. Well developed provisions, support and resources for NAS, employers and learning providers to address discrimination and gender stereotyping through better policy and HR practices and to develop inclusive cultures which welcome, retain and progress women from all backgrounds. Some of these are outlined in the body of this submission. The EOC evidence and recommendations referred to above should be taken account of.

3. The collection and dissemination of disaggregated data by gender and ethnicity so we can all see how many women and men are working in atypical areas.

4. The development and expansion of flexible, properly resourced and well implemented adult apprenticeship schemes, because adult women are more likely than young women to enter traditionally masculine fields of employment. To include active promotion of opportunities for late entry to apprenticeships. To include exemptions for under represented groups like women from the higher level qualifications exclusion.

5. Provisions for flexible childcare support.

6. The provision and encouragement of mentoring and networking support for women apprentices with links to national networks.

7. An increase in the number of school level activities that involve girls in acquiring STEM skills. These should include schools arranging or expecting key mixed gender SET enrichment and this enhancement activities to be taken up equitably (50:50 girl and boys). Positive action with activities targeted at girls will also have a place, for example, science club activities for girls modelled on the CC4G computer clubs programme.

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15 [http://www.ukrc4setwomen.org/html/resources/ukrc-publications/]
8. Co-ordinated action by government and business to boost supply by increasing recruitment into learning/qualification pathways but also address attrition by addressing structural and cultural barriers in the workplace. Comprehensive implementation of the gender duty.

9. Life time/career long support and change services and programmes will be required to sustain an increase in the numbers of women entering vocational and technical occupations through apprenticeships. UKRC’s main service area is directed at increasing the representation, progression, retention and return of women in SET at level 4+, but offer a model of good practice in creating change for women in SET across the skill level range.

2. EVIDENCE OF SEVERE OCCUPATIONAL SEGREGATION IN APPRENTICESHIPS

2.1 The TUC recently produced figures on the participation of girls and young women in Apprenticeship schemes. Table 1, taken from their report, shows how small a proportion of apprentices in construction, engineering and vehicle maintenance are women, compared to traditional female areas such as hairdressing and health and social care. What is even more worrying is that the percentage of women has reduced in engineering and vehicle maintenance, and only remained the same in construction. We would have hoped to see an increase in the participation of girls if there had been sufficient resources and motivation for well conceived and properly implemented gender initiatives including those supporting the transition from school to work.

<table>
<thead>
<tr>
<th>% women apprentices (level 2 and level 3)</th>
<th>Apprenticeship Framework</th>
<th>2002–03</th>
<th>2006–07</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>1.3</td>
<td>1.3</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Hairdressing</td>
<td>92.6</td>
<td>91.7</td>
<td>–0.9</td>
<td></td>
</tr>
<tr>
<td>Business Administration</td>
<td>78.6</td>
<td>79</td>
<td>0.4</td>
<td></td>
</tr>
<tr>
<td>Customer Service</td>
<td>68.2</td>
<td>67</td>
<td>–1.2</td>
<td></td>
</tr>
<tr>
<td>Hospitality and Catering</td>
<td>50.6</td>
<td>50.6</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Children’s Care Learning and Development</td>
<td>97.3</td>
<td>97.1</td>
<td>–0.2</td>
<td></td>
</tr>
<tr>
<td>Engineering</td>
<td>4.6</td>
<td>2.6</td>
<td>–2</td>
<td></td>
</tr>
<tr>
<td>Health and Social Care</td>
<td>88.9</td>
<td>89.7</td>
<td>0.8</td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td>65.8</td>
<td>66.4</td>
<td>0.6</td>
<td></td>
</tr>
<tr>
<td>Vehicle Maintenance and Repair</td>
<td>2.9</td>
<td>1.4</td>
<td>–1.5</td>
<td></td>
</tr>
</tbody>
</table>

2.2 The report also noted that this situation was worse in schemes run by larger employers who are part of the Learning and Skills Council National Employers Service (NES): “Of the 10 most popular Apprenticeship frameworks with NES employers, six had less than 11% women apprentices. Even more strikingly, four of the five most popular Apprenticeships taken up via the NES have less than 4% women. These are construction (1.2%), vehicle maintenance (1.3%), engineering (3.5%) and electrotechnical (1.5%).” (TUC, 2008, page 5).

2.3 The UKRC draws together and analyses data about women with SET qualifications and their employment destinations. A paper recently submitted to the call for evidence: Analysis on Demand for STEM skills by the UKRC on women and men’s participation across the educational and skills levels showed that at every level of education and training, fewer women than men are choosing to gain STEM qualifications and skills and to move into STEM employment. But this situation is most severe in STEM vocational training. And women with STEM qualifications are more likely to work in non-STEM occupations, not in STEM.

2.4 The EOC undertook a formal investigation into occupational segregation in 2004–05 and this has also informed our analysis. The committee should take account of this along with other EOC research undertaken in this area of sex stereotyping and work and education. In particular note that EOC research showed that girls say they would have been influenced in their choice of career had they known of the detrimental pay differentials between different apprenticeships, before and after training. Occupational segregation reflected in apprenticeships contributes to the gender pay gap.

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16 TUC, (2008) “Still more (better paid) jobs for the boys.”
17 For instance WISE has partnered with the LSC and with QIA to run special demonstration projects with the Navy in Gosport and with ECAT (Aerospace Training) in Macclesfield, introducing girls to the SET workplace and technical apprenticeships. Their learning and good practice can be mainstreamed.
18 Attrition data available from UKRC—previously submitted and available on our site; Submission to the call for evidence: Analysis on Demand for STEM skills: www.ukrc4setwomen.org/html/about-ukrc/influencing-policy
3. LIMITATIONS OF THE APPRENTICESHIP BILL: COMMENTS FROM THE UK RESOURCE CENTRE FOR WOMEN IN SET

The Review: World Class Apprenticeships: Unlocking Talent, Building Skills for All incorporated some attention to equality and positive action in a way not hitherto offered in policy documents concerning post 16 education. This included references to the need for advice and guidance to aid access and overcome barriers and thus address past discrimination by employers and workplace cultures.20

However the Review fell short in significant ways and the Bill reflects these shortcomings.

We list the key problems here. Provisions or changes in the Bill to take account of them would strengthen the likelihood of increasing women’s representation in atypical work areas and reduce the pay gap as well as improving productivity:

3.1 More explicit measures to address under-representation

Measures to address under representation are mentioned but late in the Review document, almost as an after thought. UKRC believes there were numerous opportunities to address gender equality throughout the Review, which would have resulted in the integration of a more solid approach to under representation and inequality. For instance, as we said above, the Review could have called upon the considerable material and advice contained within reports and policy recommendations made by the EOC.

The Bill needs to be more explicit about addressing gender equality given the huge disparities between the numbers of women and men. For instance, women often get put off by being left too long on long waiting lists and then get “cold feet” and take up safer offers, which can be in traditionally female sectors.

This loss of potential talent needs addressing.21

The Bill could require gender disaggregated targets perhaps protected by ring fenced places especially in popular occupations, to be drawn up by the National Apprenticeship Service in conjunction with the Learning and Skills Council. The UKRC can be consulted as to reasonable targets.

3.2 Economic benefits: the business case

The economic benefits to the country of an apprenticeship programme not occupationally segregated along gender lines should have been in the introduction to the Review and appropriately reflected in the Bill. This would emphasise the importance of tackling inequalities. The UKRC has research briefings on the business case for women in SET.22

3.3 Strengthening apprenticeships—addressing equality and diversity

It is not enough to acknowledge, as the review does, unsuitable facilities, hostile environments, loneliness and misunderstandings: having recognised these issues it is time to put in place solutions. Good practice guidelines would help employers and learning providers and the UKRC has examples of these produced during the European funded JIVE project. During the JIVE project also input gender proofing support in relation to Further Education to the DfES.23

The training and development of apprentices could be strengthened by new curriculum content in the shape of well developed and resourced module on equality and diversity, designed by gender and equality experts, and going beyond the content of the module about rights at work. Delivered in the induction phase, learning and training providers etc. should be supported by teaching aids, lesson plans, case studies, promotional materials etc.

Such a module should be coupled with the integration of a gender perspective throughout the knowledge based and technical learning aspects of apprenticeship training as a whole. Tutors/trainers/assessors need to be equipped to ensure inclusive teaching practices are incorporated within competency based elements of the programme.

3.4 Supervision and mentoring

The need to adequately supervise apprentices is recognised in the Bill. However, the Bill neither recognises nor makes provision to resource appropriate mentoring, which has proven success in supporting individuals who may be isolated. It is widely recognised that there are considerable benefits of mentoring if mentors themselves have first hand understanding of the problems faced by a trainee

20 DIUS, World Class Apprenticeships: Unlocking Talent, Building Skills for All, p47
22 www.ukrc4setwomen.org
23 UKRC publications including JIVE project products: http://www.ukrc4setwomen.org/html/resources/ukrc-publications/
from under represented groups. Such mentors provide role models which inspire and motivate trainees. There are good practice examples of mentoring arrangements and the UKRC can support organisations wanting to implement mentoring schemes.

3.5 Access and pathways to HE from atypical apprenticeship training

The Bill does not demonstrate an adequate understanding of the problems faced by under represented groups in accessing routes into apprenticeships or from apprenticeships into HE. This element needs an in depth gender analysis. Broadly speaking, many of the same barriers which face women generally when taking up HE qualifications in SET exist in this pathway and need to be addressed to widen access and participation. Evidence of the difficulties has been identified in data from the Engineering Training Board and UCAS.

Methods to overcome the barriers and help to attract women into further qualifications in atypical area, include well run open days and other forms of proactive encouragement from HE providers to over come gender stereotyping. A holistic package would include support systems, providing role models, adjustments to a curriculum which tends to be based on previous male dominated learner profiles, challenging gender stereotyping.

3.6 Inclusive learning environments—additional needs

It is imperative that inclusive learning environments are built into the heart of all training programmes. This will ensure that the different needs of atypical trainees are accommodated and met, leading to increased retention and progression. Tutors will need support in understanding how to achieve this through awareness raising and action plans.

The Bill does not address these additional needs adequately. Therefore, the clause 22 1b, about “assisting the effective participation of persons” should be expanded to take into account atypical learners and include wording to ensure a duty for providers to actively support the recruitment and retention of atypical learners.

3.7 National Apprenticeship Service (NAS)

The remit of the NAS is not robust enough to address the stark lack of participation of women in atypical apprenticeships through positive action and awareness raising amongst potential trainees, learning and training providers and employers.

3.8 Additional risks to employers

The Bill acknowledges the perceived risks to employers of taking on the training of apprentices. The Bill should also explicitly address the additional perceived risks faced by employers including SMEs, concerning employing and training women in atypical occupations and industries.

NAS should be resourced so they are equipped to improve the confidence of employers to take on women apprentices where for instance they are uncertain of how to provide suitable facilities, provide appropriate well fitting personal protective clothing or deal with the reaction of the existing workforce.

3.9 Helping employers to recruit, progress and retain women

The Bill should incorporate support to employers to help them address barriers they may raise, so that they can genuinely encourage and progress women in their companies. Employers will need to make changes to their HR practices and address entrenched cultural attitudes. The UKRC website has a series of case studies which show how this is starting to happen.

Research is also needed into the attrition rate amongst apprentice trained/qualified trades women—many have qualified over the years but have given up.

Clause 22 2a on “services provided” should thus incorporate measures to put in place support for learning providers and employers to develop good practice: positive action to ensure a supply of atypical learners and to influence good practice on the demand side—information, advice and guidance to learners and to employers and learning providers must be expanded and properly resourced to explicitly address gender issues and women as atypical learners/apprentices.
3.10 Adult Apprenticeships and removing the age cap

The EOC evidence shows that women enter construction and engineering at an older age. Women are likely to benefit from opportunities for post 19/adult entry because in general they become less susceptible to the influence or impact of gender stereotyping. Removing the age cap can benefit women who have been out of training and employment due to caring responsibilities and for these reasons UKRC supports the removal.

The Bill does not adequately address the advantages of removing the age cap for apprenticeships. The Bill mainly addresses the provision for young people to access apprenticeships. There is some provision in the proposed Skills Accounts, but a more prominent and proactive approach would improve the participation of women. Adult apprenticeships pilots have been run but it is not clear that they were properly understood by the appropriate stakeholders or advertised widely enough and the Select Committee may like to satisfy itself about this.

Therefore Clause 21 3f1b should be strengthened with respect to the promotion of and arrangements for post 19 opportunities.

In addition, a number of adult apprentices especially women will need additional funding support and assistance with childcare to enable them to move into an apprenticeship and therefore resources for this will be needed.

The clause on the suitability and availability of apprenticeship places (21 3h) should be expanded to include the need to provide due consideration when placing apprentices who have caring responsibilities.

UKRC also argues that opportunities to undertake and complete apprenticeship training could be enhanced and made more accessible by offering part time and flexible arrangements in the delivery of the courses and in the completion of the work based components. Time expiry issues also need addressing, allowing more flexibility with respect to age and completion.

3.11 Avoiding inadvertent discrimination

Clause 21 3h 7 (Published Criterion) may involve a potential loophole, which could result in sex discrimination if a managing agent inadvertently condoned the exclusion of women because of the existing workplace conditions—for example, having no single sex facilities. We suggest this should be clarified.

3.12 Existing qualifications

Clause 31 1 states that in order to satisfy the apprenticeship scheme requirements at level 2 a person must (c) not hold an apprenticeship certificate at level 2 or above. This condition may exclude women returners as they may hold a higher qualification (above level 2) in another sector. In the past this sort of requirement has been a barrier to entry for women who wish to enter non-traditional occupations. This should be reviewed flexibly in light of the under representation of women and also skill shortages.

3.13 Specifications of apprenticeship standards

Apprentices should take a module in equality and diversity, as outlined above, particularly where there is gross under representation. As members of the future workforce they themselves need to develop the skills and knowledge to champion equalities and address the problems that arise from the cultures in these segregated sectors.

The Bill should outline the duty to provide a well resourced equality and diversity module designed by gender and equality experts including lesson plans, training materials etc. A gender perspective should also be integrated throughout the knowledge based and technical training aspects. Tutors and trainers and assessors should be provided with additional training on inclusive teaching practices. These should be incorporated into the competency elements of the programme. UKRC and the JIVE project can provide models of good practice here.

4. Recommendations to address under representation and gender occupational segregation in apprenticeships

These can be found in the executive summary.

October 2008
Memorandum 13
Submission from The Business Services Association (The BSA)

Draft Apprenticeships Bill

Introduction

1. The BSA—The Business Services Association—represents companies, and their advisors, providing business and outsourced services in the private and public sectors. We promote the industry and the positive contribution it makes to the economy.

2. The UK business service and outsourced service industry is one of the largest sectors in the UK and plays a significant role in delivering training, employment and economic growth. It helps to drive innovation, choice and diversity across the private and public sectors.

3. Full Members are active in providing business and outsourced services. Associate Members are professional firms including lawyers, accountants and consultants who advise in the sector. BSA Full Members have a combined worldwide turnover of c.£67 billion and employ around one and a half million people. In the UK the combined turnover is c.£14 billion and c.340,000 people are employed across the country.

Summary Of Principal Points

4. The BSA welcomes this opportunity to submit evidence to the Innovation, Universities, Science and Skills Committee on the draft Apprenticeship Bill. Apprenticeships are crucial for the future success of the business service industry. This submission makes the following key points:

— The apprenticeship institutional framework is very bureaucratic and confusing for users. This may hinder the rapid expansion of apprenticeship schemes.

— A more streamlined funding system is needed. Currently access to funding is through local training providers and the time and effort required for an employer to identify the relevant organisation and then to get signed up is a disincentive to providing apprenticeships.

— The Apprenticeship Bill will raise the cost of providing apprenticeships, which will concern employers, particularly in this time of economic uncertainty.

— The Government could improve the supply of apprenticeships by offering incentives to employers. A recent BSA survey of its members found that cost was the main barrier to provision. For instance, there could be tax breaks for companies taking in over a certain number of apprentices in sectors that are currently hard to recruit and employer National Insurance Contributions could be reduced for apprentices.

Does the bill meet the Government’s policy objectives to set up a system of “world class” apprenticeships in the most effective way within a reasonable time frame?

5. The task of raising the number of people undertaking an apprenticeship scheme from 184,000 in 2007 to 250,000 by 2020 is large. The Leitch Review highlighted the importance of developing the market for apprenticeships in the face of large skills gaps in the UK labour market and competition from newly emerging economies. Apprenticeships can give adults the opportunity and flexibility to improve skill sets they missed out on gaining in with previous institutions. The BSA welcomes the Government’s aim to boost the supply of apprenticeships, as this will help firms who are struggling to recruit the right people in the business services and outsourcing sector. This is crucial as the business services sector employs one in seven UK workers. In the public sector alone the “Public Services Industry” employs 1.2 million people.

6. There is a need to improve certain skill sets in the workforce in order to make it easier for the industry to deliver services to the public sector. More apprenticeships in the services sector will help solve the current skill shortage in this industry. The extra funding the Government will put towards providing more apprenticeship places for those who want them is welcome. The BSA is particularly pleased the Government is making an effort to improve the career advice and information available on apprenticeships. This will play an important role in raising the demand for apprenticeships and expanding the pool of suitably qualified potential employees.

7. The Government has stated that it is committed to involving businesses more in designing apprenticeship schemes. The BSA welcomes this and believes it will ensure they are relevant and of high quality to the employer. However, the bill does not specify that industry should play a role in designing apprenticeship schemes provided by the Government to ensure quality and relevance to employers. There needs to be opportunities for employers to work with Skill Sector Councils on the content of the apprenticeship framework.
8. Moreover, the apprenticeship institutional framework is at the moment very bureaucratic and confusing for users, which may hinder the rapid expansion of apprenticeship schemes. The Bill does not address this problem and given these obstacles, the timeframe may be ambitious. To increase effectiveness, new apprenticeship places should be targeted in areas where they are needed the most.

Is the Bill workable?

9. The BSA believes the Apprenticeship Bill is workable but the current apprenticeship framework could get in the way of expanding apprenticeships quickly and efficiently. Reducing bureaucracy and the number of Government agencies responsible for delivering the skills national strategy will make a large difference in freeing up resources for training and apprenticeships.

10. The BSA supports the idea of a single, streamlined funding agency for FE colleges. Currently the skills system is very complex, with various agencies having overlapping responsibilities at a regional and national level. Therefore any policy to simplify the current system would be considered a move in the right direction. Creating a single funding agency will make it clearer and easier for FE colleges to receive the help they need and reduce the bureaucracy involved in providing training schemes.

11. A more streamlined funding system would also be a real advantage to employers. Currently access to funding is through local training providers and it takes time and effort to identify the relevant organisation and then to get signed up. For example, one BSA member took on five apprentices in different geographical areas but had to get funding through five different providers, who each had their own paperwork that needed to be completed.

12. The National Apprenticeship Vacancy Matching Service could be further utilised to assist with streamlining the system and give more visibility to all vacancies that are available and visible to apply for, possibly by using it to deal with all apprenticeship processing.

13. The Government could improve links between employers and potential apprentices by setting up an agency that helps companies establish links with local schools. This could provide an incubator type approach for apprenticeships and could encourage individuals from under represented groups into, say, engineering degrees.

14. Also a partnership apprentice approach for all sorts of jobs could be developed. For instance the first 18–24 months are owned by the school/college, but are allocated to a business. Time could be split between technical/skills training both in a classroom and the work environment, with companies committing to employing suitable apprentices.

Will the Bill lead to a renaissance in apprenticeships?

15. The BSA believes the bill is a step in the right direction in improving the attitude of young people towards apprenticeships. We particularly welcome the focus on improving careers advice and guidance for young people on the apprenticeship route. There is often poor quality careers advice which could dissuade people from considering this route. Better access to information on apprenticeships and the career path it can offer will make it a more viable option to young people. It is essential that advisers are provided with resources and training about opportunities available across the economy.

16. However, we would again like to stress that cutting bureaucracy and creating a simpler apprenticeship framework will improve the information flow on apprenticeships. With overlapping responsibilities of various agencies at a regional and national level, it could dilute the message the Government is trying to get across. Therefore any policy to simplify the current system for users would be considered a move in the right direction.

What is the cost?

17. The Apprenticeship Bill will raise the cost of providing apprenticeships, which will concern employers. From August 2009, employers will be required to pay apprentices at least £95 per week, rising from the current rate of £80 per week. However, if the bill receives Royal Assent, we may see the introduction of prescribed apprenticeship agreements that will have the status of contracts of service, not of apprenticeship. Accordingly, “apprentices” under these agreements would be entitled to receive the national minimum wage the same as any other employee. This is unless the definition of apprentice in existing legislation was widened to encompass such prescribed agreements.

18. This could exacerbate a problem that employers already face. In a recent BSA survey, our members said time and cost were the main barriers to training employees. Increasing the cost would not be well received as this would have an impact on the bottom line. Starting salaries for apprentices are relatively low but they are effectively in full time education for year one for technical apprenticeships and assuming they progress well, their salaries jump significantly as they progress through their training. Also unless additional costs can be covered by increases in the provision of service or product, additional salary costs will impact in the same way as for all increases in salary costs to employers. Therefore we do not see any need to change the current funding model.
19. Furthermore, most of the larger companies have, and can afford to have special courses and departments. But for the smaller and medium sized companies there is clearly a proportionately greater impact on having to spend money and time on training. Indeed for many it seems to be a deterrent to expanding or recruiting certain types of people. In addition, the effect of implementing this increase at this time of economic uncertainty will have a greater impact than in steady state times. Although Government funding is improving, funding for NVQs is generally lacking. BSA members want more clarity of support, funding and access to training.

20. The bill does not incentivise employers to provide more apprenticeship schemes. The Government could offer incentives through different types of tax breaks. For instance, there could be tax breaks for companies taking in over a certain number of apprentices in a year in sectors that are currently hard to recruit and employer National Insurance Contributions could be reduced for apprentices. The Government could look at VAT rules as it is currently exempt, as a zero or standard rated would best serve the employers. Also the Government could make allowable contribution to offsetting CR taxes.

21. We support incentivising employees through grants, although the administration in drawing this needs to be slicker and more flexible. The Government could also publish a directory of “good apprentice employers”.

What impact the bill will have on current institutional structures?

22. The proposed national apprenticeship vacancy matching service linking potential apprentices with potential employers will improve the information flow on apprenticeships. Therefore this should make it easier for employers to recruit the right apprentice who will get the most from their apprenticeship. Improving links between these two groups is an area which should be developed further.

23. The Government should be careful that the extra responsibilities it gives organisations to promote and provide apprenticeship places will not add another layer of bureaucracy on the already complex institutional framework. The roles and responsibilities should be placed on institutions so that they do not overlap.

Is there anything missing from the draft bill?

24. The draft Apprenticeship Bill does not specifically target basic numeracy and literacy skills as part of improving the productivity of the workforce. The government’s first priority should be to improve the level of basic skills, such as literacy and numeracy. Poor basic skill levels have significant impact on business and the economic competitiveness of the UK.

25. Many BSA member companies highlighted in a recent survey that it was often difficult to find employees, at all levels, with the appropriate educations and skills for the roles they are being asked to fulfill. Members went as far a saying they are sometimes forced to employ people with lower than desired standards of literacy and numeracy. There was a general perception that educational standards are falling and that this is having a direct impact on individuals employability.

26. The impact on employers of poor basic skills in the workforce manifests itself in many ways. Managers and supervisors often find themselves having to spend increasing proportion of their own time ensuring employees are working safely and effectively. Companies face the direct costs of having to train the workforce themselves with skills they should already have when taken on. There may also be a direct loss of business due to service user’s perception of the quality of the service being provided. This is difficult to quantify, however, some estimates calculate the cost to the economy is approximately £10 billion.

October 2008

Memorandum 14
Submission from Skillset

SCRUTINY OF THE DRAFT APPRENTICESHIPS BILL

1. Please find below a Memorandum from Skillset, the Sector Skills Council for Creative Media. In this document we would like to respond from our sector’s point of view.

2. Skillset will also be submitting a full response to the DCSF/DIUS consultation on the Draft Apprenticeships Bill. However, we felt that the Committee’s questions differed and complemented the questions in the Government consultation.

3. Skillset is the Sector Skills Council for the Creative Media industries. Jointly funded by industry and government, our job is to make sure that the UK creative media industries have the right people, with the right skills, in the right place, at the right time, so that our industries remain competitive.
4. We are responsible for the following sectors: Publishing, Television, Film, Radio, Animation, Interactive Media, Computer Games, Photo Imaging, Facilities. Please note however, that the publishing sector has only recently come to our footprint. Therefore, the responses here are mainly reflecting our experience from working with the Audio Visual Industries.

5. Our sector attracts a highly qualified workforce. Apprenticeships have not been widely used by the industry in the past, due to a need for more flexible frameworks. Following consultation with industry, support for Apprenticeships has been established in a number of specific occupational areas.

6. Our industry has also expressed a clear aim to address the diversity of the workforce including opening up new entry points into the industry to achieve this. Across our industries there is a tradition of ‘apprenticeship style training’ and on-the-job new entrant’s provision. These apprentices are not on formal government schemes either because they are graduates, older than the required age group to activate public funding or employers have found the formal Apprenticeship requirements difficult to work with.

7. Skillset has developed a comprehensive Sector Qualifications Strategy (SQS) that addresses issues and priorities identified in relation to qualifications and other learning provision used or needed by the creative media industries. The SQS is a UK-wide strategic document that provides a basis for planned, intensive activity by all stakeholders, to realise the sector’s vision for future qualification and learning provision that is demand-led and that supports progression and development at all levels. Learning provision needs to be adaptable and flexible to meet the diverse needs of the entire workforce.

EXECUTIVE SUMMARY

8. In World Class Apprenticeships, the Government’s Strategy for the future of Apprenticeships in England, there is an aspiration that every suitably qualified young person who wants to take up an Apprenticeship place will be able to do so by 2013; in our written submission to DIUS (following the consultation on this strategy) we made clear that any plans to implement this aspiration should consider an important factor—the capacity of the industry to support this. The proposed entitlement, that every 16-18 year old will be guaranteed an Apprenticeship place in his or her first- or second-choice sector, is also reliant on the places in that sector being available.

9. We feel that the Bill addresses many of the issues required to realise and implement the World Class Apprenticeships Strategy. We welcome in particular, Clause 22—Assistance and support in relation to apprenticeship places.

10. We are also aware that by translating parts of the Strategy into a legal document many elements are “lost in translation”. We would like to alert the IUSS Committee that Clause 21 of the Draft Bill regarding the Apprenticeship entitlement, defines an “available sector” for each young person’s entitlement as relating to a person’s election of 1st and 2nd choice of apprenticeship sector. In order for this Bill to be workable, we think that a person’s selection must not be the only criterion for “available sector”. We fill that what is missing is the “availability” from the perspective of the sector / employer. If the sector does not, or cannot, support the provision of Apprenticeship places to be deemed an “apprenticeship sector”, can their “suitability and availability” be a provision of the Bill?

11. The continued role of Sector Skills Councils in developing Apprenticeship frameworks and their responsibility for approving all frameworks on behalf of their industries is very welcome. As an SSC, we also accept our central role in engaging industry to realise the aspirations of the World Class Apprenticeships Strategy.

12. In moving forward we would like to see provision in the Draft Bill that takes consideration of the role of employers and businesses in the identification of need for Apprenticeship frameworks and for their provision in their sector. We support the aspiration, but, in order to realise the vision, there needs to be provision for engagement with each sector to assess where an Apprenticeship entitlement can represent a viable and appropriate skills solution.

THE COMMITTEE ASKED

Does the bill meet the Government’s policy objectives to set up a system of “world class” apprenticeships in the most effective way within a reasonable time frame?

13. We welcome the intention in the Draft Bill to provide the appropriate legislative framework for the implementation of the World Class Apprenticeships Strategy. We feel that some parts of the strategy will be well supported within this Bill.

14. For example: Clause 22—Assistance and support in relation to apprenticeship places. (1) (a) + (b) Skillset welcomes the provision of support, by the Secretary of State, for assisting persons to find Apprenticeship places and for the provision of other services for assisting the effective participation of persons, as this supports access and diversity.
15. Clause 22—(5) (a) Skillset also welcomes the fact that the Secretary of State may make arrangements for the provision of services, which may include provision for grants, loans and other kinds of financial assistance in relation to Apprenticeship places.

16. For both (1) and (5) of Clause 22, we would welcome recognition of the need for assistance and support for employers and businesses, particularly for SMEs and micro-businesses, including financial assistance where that is essential to make apprenticeship places available to meet priority skills needs.

17. However, the Bill does not necessarily provide for “effectiveness”. It provides for duty of responsibility for Learning and Skills Council to ensure sufficient and appropriate Apprenticeship places and access to Apprenticeship place in one of two chosen sectors. It does not provide for how this will be achieved in terms of engaging employers and supporting capacity in businesses to suggest how this will meet the Government’s policy objectives in the most effective way.

18. The contribution of the National Apprenticeship Service and measures to ensure its “effectiveness” in the system is not provided for in the Bill.

19. In terms of a time frame, the revised Bill will be presented in 2009, but no timeframe is given for implementation.

Is the bill workable?

20. It is difficult to assess how workable the Bill is because it does not make provision for the enhancement of employer engagement with the Apprenticeship model, or provision for supporting and building capacity in businesses (particularly SMEs) to increase the number and variety of Apprenticeship places available. The policy objective of an entitlement to an Apprenticeship place for 16–18 year olds in the 1st or 2nd sector of their choice, fails to embrace the concept of a demand-led system and the critical role of industry in shaping, informing and leading on demand-led provision that will meet their evidenced skills and training needs.

Will the bill lead to a renaissance in apprenticeships?

21. Again, this is hard to assess. Without the provision for the role of industry in determining the “suitability and availability of Apprenticeship places,” (3H) the policy objective of delivering an entitlement to an Apprenticeship place in the 1st or 2nd choice of sector cannot be met. If a sector does not support the Apprenticeship model as a viable and appropriate skills solution, they will not engage with the scheme. The amendment to the Learning and Skills Act 2000, to inset 3E—“Duty of Council to secure availability of apprenticeship places” will not, in isolation, achieve this objective.

What is the cost?

22. No comment.

What impact the bill will have on current institutional structures?

23. Yes. The role of, and support for, employers and businesses in the identification of need for Apprenticeship frameworks and for their provision in their sector, where they represent a viable and appropriate skills solution. We feel that such a point should be inserted.

Is there anything missing from the draft bill?

24. For example: Clause 21 — Availability of apprenticeship places.

25. 2—3E—(1)—Provision will not be industry-led if frameworks and places are created to meet entitlement requirements, as opposed to meeting industry skills and training needs.

26. 2 (2) (a) the “available sectors chosen” are from the full range of sectors and occupations, rather than from sectors that support Apprenticeships as a viable skills solution. How can the LSC/NSA secure availability of Apprenticeship places in a person’s 1st or 2nd choice independent to securing sector/employer support for the Apprenticeship model?

27. 2—3F (2) “available sectors” should also be determined by the need and support for Apprenticeships in the sector to meet current and forecast skills and training needs—and not just according to the meaning of “available” given in 3K (ie “available” in relation to a person’s election under section 3F.

28. 2—3H—“Suitability and availability of apprenticeship places: further provision.” This should also include “availability” from the perspective of the sector / employer. If the sector does not, or cannot, support the provision of Apprenticeship places to be deemed an “apprenticeship sector”, can their “suitability and availability” be a provision of the Bill?
29. 2—3K.—(3) Definition of an “available sector” is given as relating to a person’s election of 1st and
2nd choice of apprenticeship sector. For the effectiveness of the Bill, a person’s selection should not be
the only criterion for “available sector”. Industry support and capacity should also be assessed, in order
to make this person’s aspiration a reality.

September 2008

Memorandum 15
Submission from the Chartered Insurance Institute

EVIDENCE RELATING TO THE INNOVATION, UNIVERSITIES, SCIENCE AND SKILLS
COMMITTEE INQUIRY INTO THE DRAFT APPRENTICESHIP BILL

SUMMARY
— The Chartered Insurance Institute welcomes the focus on Apprenticeships which this bill brings;
— We see the benefits of the National Apprenticeship Service—however, ensuring the NAS engages
with stakeholders to create a better Apprenticeship programme is vital;
— Apprenticeship frameworks must be flexible and responsive to employer need. This is a key
component of a “world class” system;
— We welcome the duty on schools to provide information to pupils on Apprenticeships—however
the advice needs to be of high quality. Who will monitor this?

THE CHARTERED INSURANCE INSTITUTE
1. The CII Group is the world’s largest professional body for insurance and financial services and one of
the UK’s largest awarding bodies. We offer qualifications to those working in insurance and financial
services, many of which are accredited within the national qualification frameworks. Our qualifications
range from Certificate (Level 3) to Advanced Diploma (Level 6). With over 94,000 members in 150 countries,
we are committed to maintaining the highest standards of technical expertise and ethical conduct in the
profession.
2. The CII has made a commitment to actively supporting Apprenticeships in the wider financial services
sector; we work closely with Apprenticeship providers and employer to bring together supply and demand,
with the result that the number of Apprentices in the sector has never been higher.

RESPONSE
3. The CII welcomes the support being provided to increase the quality and number of Apprenticeships,
the promise of places for those who want one and the additional focus placed on Apprenticeships to ensure
their parity of esteem with other “traditional” or “academic” qualifications; the difficult economic times we
face may see a reduction in the number of people able to afford university study; Apprenticeships should be
seen as a valid route for all, not just those with a more vocational bent.
4. Apprenticeships offer a number of advantages for employers in all sectors, and financial services in no
exception. They present an excellent opportunity to attract more people into the sector and provide an entry
route for those who might not normally consider a career in financial services. They also provide personal
and professional development for those already in the sector, thanks in no small part to the awarding of
professional qualifications. However there are still many employers within our sector who have yet to
acknowledge the benefits of employing an Apprentice, or who do not fully understand the benefits of the
scheme.
5. On the job training also plays a fundamental role in an individual’s development, giving them real-
life experience and confidence to accompany any technical qualifications. In addition, Apprenticeships are
delivered in the workplace and are low-cost/no-cost for learner and employer—meaning training budgets
can be diverted to address other needs within an organisation. In a survey of the CII’s membership earlier
this year24, employers explained that they are crying out for new recruits with the skills that ensure they are
work ready. Apprenticeships provide those skills and help develop the right attitudes that employers seek.
6. The CII welcomes this draft Apprenticeship bill and hopes that its contents will help raise the quality
of the apprenticeship programme to the “world class” level that the government is targeting and ensure the
growth in numbers.

CII_Group_Skills_Survey_2008.pdf
7. We are particularly pleased with the creation of a National Apprenticeship Service (NAS). This will provide a focal point for the programme and will hopefully help pick up some of the slack that currently exists in the system. This slack is presently dealt with by professional bodies like the CII. Of utmost importance in relation to the NAS is its ability to interact and engage with employers and providers on a local, regional and national scale. If the system is to provide what is needed by stakeholders, then the NAS has to be able to open meaningful and productive dialogue from day one. Without this a “world class” service will remain a pipe dream.

8. We also welcome the duty on schools to provide information, advice and guidance (IAG) on Apprenticeships to pupils. We believe that there is a worrying lack of IAG around Apprenticeships (particularly in the FS sector)—this applies to both learners and employers. A “world class” Apprenticeship service will require world class advice and so we would raise a question around securing good quality advice in schools. How is the government going to make sure that young people are receiving the right kind of information? We hope that this duty will help bring about a step change (through good quality advice) so that young people can make an informed choice among their career options, rather than one which reflects the experience of their parents or those offering careers advice. Once this has been done there is a larger job to be continued around the FS sector reaching out to its future workforce, and the CII is taking active steps to ensure the success of this activity.

9. In relation to the clauses covering Apprentice frameworks, it is pleasing that those entrusted with the power to issue a framework will have to provide a “sell-by date”—though this should not mean that the framework is not revisited until that time. Business needs can change quickly; we live in a fast moving economy. Therefore Apprenticeship frameworks have to be flexible and responsive to employer needs. The government has to make sure that those with the power to issue frameworks understand this and are able to keep them under constant review. This is ability to respond quickly and decisively in light of what employers want, which may differ from what appears in a framework, is what will set a “world-class” programme apart from the rest.

10. We do recognise that there are a number of other barriers to achieving success that the government, business and the economy as a whole want and it is questionable as to whether this draft bill will help tackle them. The biggest question for us as a professional body involved with Apprenticeships is whether there is or will be the capacity on the provider side. We worry that there will simply not be enough organisations to deliver the programme, particularly when young people will be legally entitled to Apprenticeship provision. Though legislation is perhaps not the right vehicle to address this potential problem we feel that the government needs to acknowledge this shortcoming and tackle it in some way.

September 2008

Memorandum 16

Letter from Dr Hywel Francis MP, Chairman, the Welsh Affairs Select Committee

DRAFT APPRENTICESHIPS BILL 2008

Thank you for your letter of 17 July to let me know that your Committee is to undertake pre-legislative scrutiny of the draft Apprenticeships Bill, and inviting comments from the Welsh Affairs Committee.

My Committee has considered the draft Bill, and I set out our observations below as a series of questions25:

1. Are the statistics cited in the foreword to the draft Bill England-only?

2. The draft Bill applies to England and Wales (Section 29 and para 6 of the Explanatory Note). However in his written statement accompanying the draft Bill, Secretary of State John Denham noted: This draft Bill sets out the legislative framework needed to underpin our strategy to increase the number of apprenticeship places and strengthen apprenticeships in England.

Ought there to be greater clarity on the draft Bill’s territorial extent?

3. Why is there no reference in the draft Bill to the Welsh Assembly Government’s Department for Children, Education, Lifelong Learning and Skills, Welsh Assembly Government?

4. Why is there no reference to the Welsh Assembly Government’s Skills that work for Wales Action Plan? (Nor is there a reference to the draft Bill in Skills that work for Wales.)

5. Although there are references to the Leitch Report on Skills, why does the draft not refer to the subsequent UK Commission for Employment and Skills?

6. How will the content of the Bill be implemented in Wales, and by whom?

7. How would the Bill’s provisions be financed in Wales?

25 The Government produced answers to these questions which are printed in the Appendix to the Report [HC 1062-I], Q122–132.
8. How have the DIUSS and the Department for Children, Schools and Families consulted (or how will they consult) with the Welsh Assembly Government on the provisions of the draft Bill?

9. Will there be any overlap in devolved and non-devolved education policy?

10. Does the draft Bill raise any cross-border issues? My own Committee’s inquiry into cross-border issues has touched on a number of issues which may be relevant, for example:

- labour markets which cross borders;
- employers which recruit from both sides of the border;
- ensuring that people get accurate information as to what is available; and
- ensuring that colleges on both sides of the border have clear roles in the training aspects of apprenticeships (Section 16.2 makes it clear that it applies to employers “in England”).

11. There are references in the draft Bill to “functional skills in English” (3J 5, 7—Apprenticehip scheme requirements: interpretation). Are there any specific Welsh language issues to be addressed?

October 2008

Memorandum 17
Submission from the Edge Foundation

DRAFT APPRENTICESHIPS BILL

The draft Apprenticeships Bill underpins plans set out in “World-class Apprenticeships: Unlocking Talent, Building Skills for All”, published by DIUS earlier this year.

Edge strongly supports Apprenticeships, which provide a vital opportunity to learn by doing.

In this paper, we start by commenting on the Bill as it stands. We then outline other steps which we believe should be taken to secure the future success of apprenticeships.

Apprenticeship certificates, frameworks, standards and agreements (clauses 1–20)

The Bill gives a statutory basis for arrangements which are already in place and/or available to those who wish to make use of them. As such, these provisions are largely symbolic. We do support them, because it is important to raise the status of apprenticeships. However, we are concerned that some employers will be reluctant to complete formal agreements, as they were when agreements were first introduced in the 1990s. If this happens, Apprentices will need reassurance that they will still be able to complete their Apprenticeship frameworks.

We are pleased that the draft Bill explicitly extends to Crown Servants and Parliamentary staff. As we note below, we believe much more needs to be done to expand apprenticeships in all parts of the public sector.

Duties of the LSC and the Secretary of State (clauses 21 and 22)

The Government wishes to make apprenticeship places available to every suitably-qualified young person who wants one. This is very welcome.

Of course, the devil is in the detail. As presently drafted, the Bill suggests that each young person should select two sectors; the LSC should then ensure there is a suitable apprenticeship framework available in one or both of these sectors within reasonable travelling distance from the young person’s home.

However, the Bill is deliberately silent on a number of important points. “Sectors” will not be defined by the Bill, but by the Secretary of State. It is not clear whether sectors are to be defined broadly—eg “construction”—or narrowly—eg “bricklayer”. We believe this should be spelled out more clearly. Our recommendation would be for a reasonably broad definition.

The meaning of the word “reasonable” is also unclear. The draft says:

“reasonable travel area”, in relation to a person, means:

(a) the specified area in which the person lives, and
(b) any other area within which it is reasonable for the person’s place of work, training or study to be located.

What is “reasonable” may depend on distance, travelling time or the availability of public transport. What is reasonable in a rural area might be different from what is reasonable in an urban area. The word would even have different meaning when applied to different sectors of the economy: for example, it might be reasonable for apprenticeships in common occupations (retail, hair and beauty and so on) to be offered within a mile or two of home, but in less common occupations (say, stonemasonry) it might be reasonable to expect the apprentice to travel 40 miles. This is all far too vague, and could prove highly contentious if the Bill proceeds as drafted.
Clause 21 also introduces minimum entry requirements for Apprenticeships (which lead to a level 2 qualification) and Advanced Apprenticeships (which lead to a level 3 qualification). We see two problems with the way this part of the Bill has been drafted.

First, the Bill says that someone who has a level 2 qualification (eg 5 GCSEs at A* to C) is, in effect, ineligible for a level 2 Apprenticeship. We think this is fundamentally wrong. In fact, we think this is the biggest single weakness in the whole of the draft Bill.

Let’s take the example of a young person who has achieved grade C GCSE passes in—say—English, Maths, Design and Technology, Music and Geography. She now wants to be an Apprentice car mechanic. The skills and knowledge needed for success as a car mechanic are very different from the skills and knowledge she has gained by studying for GCSEs. She should have every right to enrol on a level 2 Apprenticeship if that is what she wants to do, and especially if that is the only option currently available in her local area.

Secondly, the Bill accidentally creates a no-mans-land between Apprenticeships and Advanced Apprenticeships. As drafted, this clause means young people who hold a level 2 qualification and level 1 functional skills are ineligible for either an Apprenticeship or an Advanced Apprenticeship. This cannot be right!

Thirdly, we are concerned about opportunities for young people who have not yet achieved a level 1 qualification and/or functional skills at level 1. Clause 21 does not mention this group of young people at all, and accordingly they will not have the same statutory right to work-based training as people who do have level 1 qualifications.

This affects a significant number of young people, including some learners with learning difficulties and disabilities. It seems very surprising that the Government gives this group such a low priority. Accordingly, we believe the Bill should provide a right to pre-Apprenticeship training for all young people not yet qualified for a full Apprenticeship.

Assistance and support in relation to apprenticeship places (Clause 22)

We fully support plans for an Apprenticeship matching service.

Careers education (Clause 23)

There has been some growth in the numbers of Apprenticeships (leading to a level 2 qualification) in recent years, but the same isn’t true of Advanced Apprenticeships (level 3).

Young people who might once have left school at 16 to start an Advanced Apprenticeship are staying at school or college instead.

The single biggest challenge is information, advice and guidance. In principle, therefore, we therefore welcome clause 23. This amends section 43 of the Education Act 1997, which requires state secondary schools to provide all pupils with a programme of careers education.

However, the Clause does not go far enough. It simply requires schools to consider whether it is in the best interests of their pupils to receive advice about apprenticeships. Schools should not have this discretion: they should be required to provide information and advice about apprenticeships to all pupils and their parents or guardians.

At present, nowhere near enough is done to promote Apprenticeships to young people, parents and teachers. In fact, many teachers actively discourage bright young people from taking an Apprenticeship.

In addition to providing information in print and on-line, we believe young people should be able to find out about Apprenticeships straight from the horse’s mouth. In its report, “Inspiration and Aspiration: Realising our Potential in the 21st Century”, the Skills Commission recommended that:

The Government must make sure that people have access to websites where they can find information about training routes and use forums to discuss different careers with those who have experienced them.

Better still, every young person should meet Apprentices and employers while they are still at school, as well as visiting colleges and other learning providers, so they can see and hear for themselves exactly what it means to be an Apprentice in the 21st century.
OTHER MEASURES WHICH THE GOVERNMENT SHOULD INTRODUCE TO SUPPORT APPRENTICESHIPS

Enable more young people to start before the age of 16

Last year, Ofsted published a glowing report on the success of Young Apprenticeships, which enable young people to get started on a genuinely practical approach to learning from the age of 14. Ofsted said:

Of the 311 students … in the partnerships inspected in 2006-07, only 17 withdrew.
The students were highly motivated, well behaved, enthusiastic and enjoyed the programme.
Students in one partnership, which provided retail as a vocational area, could not stop saying how good their experience was and how different it was from school.

When the LSC is abolished in 2010, local authorities will take over responsibility for funding Young Apprenticeships. Anecdotally, we hear some local authorities plan to close Young Apprenticeship programmes, on the basis that Diplomas are a viable (and cheaper) alternative. They’re not. Diplomas are not vocational programmes and don’t provide the same access to practical learning in the workplace. We believe that Young Apprenticeships should be expanded significantly over the next five to 10 years, and that:

— The Bill should provide an entitlement to a Young Apprenticeship for any 14–16 year old who wants one.

Make it easier for Apprentices to get placements in small businesses and voluntary organisations

Many small firms and voluntary organisations find it difficult to guarantee continuous employment. Others can offer some—but not all—of the experience an Apprentice needs to complete a qualification.

In these circumstances, it should be possible for young people to move from one employer to another during their Apprenticeship. One way to achieve this is for Apprentices to be employed by a third party—a kind of employment agency—who would arrange each placement in turn.

Working with the Young Foundation, Edge is providing seed-corn funding for a Group Apprenticeship Scheme in London, to be run jointly by two colleges (City of Westminster and Westminster Kingsway), two third sector organisations (Vital and PDT) and an Australian group apprenticeship provider, Central West Group Apprentices.

The Government should support Group Apprenticeship Schemes in all parts of the country, learning from experience in Australia and early experience of the London scheme. Accordingly:

— The Bill should place a responsibility on the Secretary of State to encourage and support the formation of Group Apprenticeship Schemes in England.

The Government should also consider wage subsidies for small and micro-businesses, recognising the extra burden small firms face when taking on Apprentices. Wage subsidies have already been offered as part of the Train to Gain programme for adults—so why not for Apprentices?

Make it easier for Apprentices to get placements in the public sector

All parts of the public sector—government departments, local authorities, Non-Departmental Public Bodies, the NHS, and so on—can and should take on very many more Apprentices, across a whole range of occupations including business administration, customer service, health and care, landscape gardening, electrical maintenance, engineering, landscape gardening—even hairdressing (in council-run care homes). All parts of the public sector should be set a target to recruit Apprentices.

— The Bill should place a duty on the Secretary of State to set targets for the recruitment of Apprentices by public sector employers.

Offer the right Programme-Led Apprenticeships

Programme-Led Apprenticeships (PLAs) have had a bad press, which is only partly deserved.

The theory is that a young person should start a full-time course at college or with a work-based learning provider. This provides a basic level of knowledge and understanding, making it easier to become a full Apprentice with a local employer. There are several benefits: it helps young people decide if they’ve made the right choice, and it helps employers recruit young people who have already grasped some of the basics, such as safe ways of working.

The problem arises if young people don’t move on from college. If the whole PLA is delivered in college, the lack of work experience presents a big barrier later on.

The LSC has acknowledged this. We welcome their approach, which is to limit PLAs to those programmes which are a genuinely valuable stepping stone into a full-time Apprenticeship, which might be termed pre-apprenticeship training.

— The Bill should define a pre-apprenticeship, or enable the Secretary of State to do so by order.
Make it easier to move on to Higher Education

It should be a lot easier for Apprentices to move on to higher education if they want.

There has been some progress: experiments with so-called Higher Apprenticeships show it is possible to get higher qualifications, including Foundation Degrees, via apprenticeships.

Two problems are holding back progress. First, funding for qualifications above level 3 falls between two stools—the LSC and HEFCE. There needs to be a clear and separate funding stream for Higher Apprenticeships which provide a work-based route to qualifications at level 4 and above. It may be possible to achieve this without legislation, but for the avoidance of doubt:

— The Bill should define the term “Higher Apprenticeship” or enable the Secretary of State to do so by order.
— The Bill should amend the Learning and Skills Act 2000 to enable the Learning and Skills Council to provide financial support for Higher Apprenticeships.

The second problem is that some Advanced Apprenticeships don’t prepare young people for degree courses. They are an excellent way of developing the skills and knowledge needed for work, but HE calls for additional skills—essay writing, research, that sort of thing. Some degrees also call for more prior knowledge of maths, science or other so-called “academic” subjects.

This presents a real barrier. Admissions tutors are reluctant to offer places to Apprentices because they think they will struggle in their first year.

The solution must be to offer Access courses to any apprentice who wants one. Access courses already exist, of course, and give people the extra boost they need before embarking on a full HE course.

— The Bill should entitle any Apprentice to take an Access to HE course either at the same time as their Apprenticeship or at any time afterwards.

These steps will make it much easier for Apprentices to move on to higher education. That is a benefit in its own right, but it also has the advantage of proving that Apprenticeships are a genuine alternative to A levels, Diplomas and other full-time courses.

October 2008

Memorandum 18

Submission from the Association of Colleges (AoC)

Draft Apprenticeships Bill

Introduction

AoC (the Association of Colleges) is the representative body for colleges of further education, including general FE colleges, sixth form colleges and specialist colleges in England, Wales (through our association with Iforum) and Northern Ireland (through our association with ANIC). AoC was established in 1996 by the colleges themselves to provide a voice for further education at national and regional levels. Some 98% of the 415 plus general FE colleges, sixth form colleges and specialist colleges in the three countries are in membership. These colleges are the largest providers of post-16 general and vocational education and training in the UK. They serve over four million of the six million learners participating in post-statutory education and training, offering lifelong learning opportunities for school leavers and adults over a vast range of academic and vocational qualifications. Levels of study range from the basic skills needed to remedy disadvantage, through to professional qualifications and higher education degrees.

The key role played by the sector and its 250,000 staff in raising the level of skills and competitiveness of the nation’s workforce make colleges central to the Government’s national and regional agenda for economic prosperity and social inclusion. AoC services to member college corporations include information, professional development and support in all aspects of institutional management, governance, curriculum development, quality, employment, business development and funding. AoC also works in close partnership with the government and all other key national and regional agencies to assist policy development, continuously to improve quality and to secure the best possible provision for post-16 education and training.
Innovation, Universities, Science and Skills Committee: Evidence  Ev 69

DRAFT APPRENTICESHIPS BILL—JULY 2008

A RESPONSE BY THE ASSOCIATION OF COLLEGES (AoC)

INTRODUCTION

World-class Apprenticeships: Unlocking Talent, Building Skills for All, published in January 2008, set out the Government’s plans for the expansion and strengthening of the Apprenticeship Programme. The draft Bill establishes a statutory basis for the Apprenticeship programme and sets out the proposed legislation for consultation. We have initially outlined the principles which underpin our response, and then summarised the main provisions of the draft Bill which we have used to provide the structure of our response.

THE PRINCIPLES UNDERPINNING THE AoC RESPONSE

The legislation:

— should facilitate the expansion of the Apprenticeships programme by allowing sufficient flexibility to allow innovative models of delivery to flourish;
— should ensure that apprenticeships are seen as a high quality choice for young people, for those in the workplace and for employers;
— should facilitate the development of models of good practice and not have unintended consequences that adversely affect (or prohibit) existing good practice;
— should facilitate ways in which colleges can work with employers;
— should reduce bureaucracy;
— should be fair and not penalise non achievement, where this is outside that apprentice’s or that organisation’s control;
— should facilitate links to the other elements of the 14–19 Curriculum Reforms to ensure apprenticeships for young people are seen as a viable and attractive pathway which does not “shut doors” on future educational opportunities; and
— should fully utilise the potential of QCF to offer specialisms, options and choice for apprentice and employer.

SUMMARY AND MAIN POINTS OF THE DRAFT BILL

Main points:

— This Bill will establish a statutory basis for the Apprenticeship programme.
— A duty is placed on the LSC to provide sufficient places for all suitably qualified young people 16–18 who want one (entitlement by 2013), in one of their two chosen apprenticeship sectors.
— The Secretary of State will approve the apprenticeship specification/blueprint.
— Sector Skills Councils, employers and others can submit apprenticeship frameworks for approval, in line with the specification.
— There will be a new certificate for framework completion.
— There will be a new Apprenticeship Agreement between each apprentice and their employer. This will form a “contract of service” and will set out details of on-the-job-training; the learning away from the workplace; the apprentice job role on completion; and the amount of supervision an apprentice will receive.
— Provision is made for the establishment of a National Apprenticeship Service which will provide a one-stop-shop for employers and potential apprentices. Initially the NAS will work under the auspices of the LSC, but ultimately it will have “end-to-end responsibility” for the apprenticeship programme.
— Provision is made for changes to the Education Act of 1997 in relation to IAG in schools, to ensure schools provide comprehensive information about apprenticeships.

RESPONSE TO THE PROVISIONS IN THE DRAFT BILL

A statutory basis for Apprenticeships

1. AoC welcomes the intention to raise the status of Apprenticeships so that they are seen as a third viable learning pathway at levels two and three alongside Diplomas and GCSE/A levels, as an option for young people who want good career prospects or progression to higher education. However, this Bill will establish a statutory basis for the Apprenticeship programme, and there is a danger that this may result in the imposition of too many restrictions when what is required is flexibility to engage employers and meet their
diverse needs. We would wish to ensure that there is still sufficient flexibility to allow innovative models of delivery to flourish, and that there are no unintended consequences on current provision as a result of the legislation.

**Employed status for Apprenticeships within a climate of economic slow-down**

2. The legislation requires Apprentices to be employed and AoC is concerned that the ambitious targets of: 400,000 apprenticeship places by 2020 (Leitch Implementation Plan 2007); the aim of one in five young people to be undertaking an apprenticeship in the next decade; and an entitlement by 2013 (World Class Apprenticeships 2008), will not be met if demand from employers is not stimulated. Exact data is hard to obtain but we know that demand by young people for apprenticeships already exceeds the supply of employers offering apprenticeship places, and that this is particularly the case in some regions. It is also clear that the current economic downturn is likely to affect the willingness and ability of employers to offer apprenticeship places. This needs to be taken into account and alternative solutions explored: this might involve innovative college-led partnerships managing work-based training.

3. According to the Labour Force Survey (Federation of Small Businesses response to World Class Apprenticeships March 2008) 69% of apprenticeships are delivered in SMEs. The average SME employs only four people, with little time for off-the-job training and equally little time to devote to devising training programmes. AoC has concerns that many small employers have little confidence that SSCs understand their needs. This leads us to believe that there are several options for Government:

   - Ensure the Bill does not put barriers in the way of providers working directly with employers, so that they can work with SMEs to develop apprenticeship frameworks to meet their needs.
   - Ensure the Bill empowers providers to develop fit for purpose apprenticeships, for example to meet the needs of SMEs, taking into consideration the greater flexibilities to accredit apprenticeships in partnership with SSCs.
   - Consider ways of incentivising SMEs to make it easier for them to release staff for essential apprenticeship training off-site that they cannot provide themselves because they are so small.

4. In addition, the effect of an apprentice being made redundant needs to be thought through, with every means being explored to provide an opportunity for them to complete their training. AoC welcomes the announcement by the Secretary of State to establish a “clearing house” to match apprentices in the building industry at risk of redundancy with other employer’s vacancies, so that they can complete their qualifications. We would advocate that other occupational sectors could benefit from such a scheme in the current economic climate, and see a role for the National Apprenticeship Service here. However, since publication of the draft Bill and the subsequent severe economic downturn, colleges are telling us that this concern is becoming a reality and apprenticeships are indeed being made redundant in situations where there are no other employers willing or able to take them on. AoC wonders whether an innovative short term solution needs to be found for example, rather than transferring an apprentice onto an unemployment register, transfer them to a college to become a full-time student and complete the off-site elements of their apprenticeship programme (see paras 23 and 24).

5. Finally, we note that non-completion of training as a result of redundancy will impact negatively on the college or training provider’s retention, completion and success rates. Whilst we naturally would wish every apprentice to complete, our argument is that in uncertain times there are many reasons, outside the control of either apprentice or provider, that might now impact on an apprentice’s capacity to succeed. This is causing particular concern in relation to the LSC’s Minimum Levels of Performance which are calculated differently for Apprenticeships than for other FE provision. For apprenticeships these are calculated on the basis of each framework and by each level. Numbers involved can be very small and losing one or two trainees because of redundancy can have a significant and disproportionate impact on apprenticeship success rates. This poses a considerable risk to providers where aggregated results fall below MLPs. Where this occurs, the provision will be terminated and put out for open tendering causing de-stabilisation for the provider and disruption for the apprentices involved. We advocate that a means should be found to remove penalties from colleges and training providers for things which are out of their control. It will serve no purpose to de-stabilise the training supply side in an economic downturn; on the contrary, we believe that training provision needs to be strengthened to support re-skilling and up-skilling in an uncertain world.

**Duty on the LSC to provide Apprenticeship entitlement**

6. The legislation places a duty on the LSC to provide apprenticeship places for all those suitably qualified who want one and this will become an entitlement by 2013, but where demand outstrips the supply of employed places it is difficult to see how responsibility for this can rest with a funding and planning body. The situation is compounded by providing a potential apprentice with a choice of two areas and building an entitlement that the applicant will be placed on one of these. This implies that more places will need to be provided than may be taken up, which would result in under or over supply (if so many places could be found), and more turbulence created in the system. This is a further example of responsibility and duty being given to the “supply” side for something which is not within its control.
7. We believe that IAG and pre-course assessment will need to be thorough, taking full account of students’ prior attainment and aptitude, to ensure that only those who have the ability to succeed are able to start an apprenticeship, and the that right of the provider to say no must be preserved. For those young people who need an opportunity to develop and improve their existing attainment, AoC advocates development of a new Access to Apprenticeship programme (see para 23 and 24 below).

8. AoC notes that duties are placed on the LSC in same Bill in which legislation is introduced to remove the LSC, and would welcome clarification as to who will fulfil this function in the future.

Sector Skills Councils (SSCs), employers and others to submit frameworks for approval

9. It will be necessary to stimulate demand from employers in existing and new occupational sectors if the ambitious Government targets for apprenticeships are to be met and AoC welcomes the provision in the Bill for SSCs, employers and others to submit frameworks for approval. We believe that there is a need for increased flexibility in framework design, along with a simplification of the process of validating new frameworks, to allow programmes to be developed which meet the needs of employers. We would anticipate that colleges will be able to work with employers to develop apprenticeships tailored to meet their needs with a strong degree of in-house training, and that they will be able to submit these for approval. This may be beneficial in attracting SMEs in particular to the Apprenticeship programme. AoC would like coherent development of such Apprenticeships. The AoC Skills Groups, working with the SSCs, could provide a vehicle for this on behalf of the sector.

10. AoC would hope that colleges which meet agreed standards will become awarding organisations allowing them to develop “bespoke” apprenticeships—in line with a Blueprint that allows for standardisation of the Apprenticeship brand, but sufficient flexibility for innovation—in conjunction with employers, which could then confer the same benefits to SMEs that larger employers will gain from being able to submit their own framework proposals.

11. AoC has suggested to QCA a coherent model in which AoC Skills Groups would apply to become Awarding Organisations, sector by sector and in close partnership with relevant SSCs as one possible option. The college itself would benefit, in being able to provide bespoke qualifications to the employers it serves, and others would similarly be able to accredit through the one college. We believe this will work well in niche and specialist markets where traditional awarding bodies may not see a big enough market.

12. Apprenticeship provision mainly consists of Apprentices (level 2) and Advanced Apprentices (level 3) and, although some Higher Apprenticeships do exist, there is minimal progression of Apprentices to higher level learning. AoC believes that elements that will facilitate progression to higher level skills need to be built into Apprenticeship programmes, and that as well as showing the UCAS tariff, Advanced Apprenticeship Frameworks should be required to demonstrate progression opportunities to higher study, either in the workplace or elsewhere.

Certificate for Framework completion

13. AoC believes that a certificate for framework completion may raise the credibility of apprenticeships—particularly if UCAS points are attached to Advanced Apprenticeship programmes. However, whilst having benefits for apprentices and apprenticeship programmes in general, we are concerned that non completion may adversely affect the success rates and funding. The apprenticeship is a complex qualification, often involving two or three separate organisations supporting the achievement of separate elements of the qualification. Currently, funding can be drawn down by each respective partner involved in delivering the apprenticeship qualification in a straightforward transaction. There would be extra bureaucracy, a significant time-lag, and the potential for unfair penalisation of organisations if, for any reason, the apprentice fails to complete and funding was changed so that it was only payable on full completion. As described above, completion may lie outside of their control.

14. AoC sees possible potential to include within the completion Certificate a Licence to Practice. Where these exist they have proved to be a good way of professionalizing a sector by ensuring minimum standards of performance. They add value to a sector, becoming recognised and sought after (ie Corgi Gas fitters), and are a proven way to stimulate the market, for example the massive growth of NVQs in the Care sector when these became a requirement to practice. In uncertain times this might offer a way forward in many more sectors in which there are good reasons (ie health and safety) why standards must be met. However, this needs careful consideration as there are potential risks to the labour market which would need to be assessed.

15. We believe that it should be possible for the system underpinning this not to be overly bureaucratic, nor to result in additional costs to apprentices or providers, and that it should have a short turnaround time for the issuing of certificates. We would anticipate that the extra volumes might offset any extra costs.

16. We note that the certificate will include only employer and apprentice details, and think that inclusion of the training provider may facilitate progression to higher levels of training and/or study.
Apprenticeship agreement

17. The legislation includes the requirement for an apprentice to have an Apprenticeship Agreement which will form a “contract of service” with the employer. There is some concern about the effect of this contract particularly on early termination, redundancy, employer liability and group approaches to apprenticeship delivery.

18. AoC believes that Group Training Organisations, which are working successfully in Australia and are now being developed by some colleges in the UK, offer an innovative method by which employers can host an apprentice without employing them directly. We hope that, under the terms of the Bill such schemes will be encouraged.

19. AoC welcomes the announcement of the increase in the level of apprenticeship pay from £80 to £95. We recognise that there is a tension between payment of the National Minimum Wage, as reasonable payment for a job of work, against the arguments that this will have a negative impact on the taking-on of apprentices by employers. However, the Federation of Small Businesses (FSB) report that their members support the payment of the National Minimum Wage for apprentices (FSB Apprenticeship survey 2008).

Apprenticeships in the Public Sector

20. World Class Apprentices makes a commitment to reducing the inconsistencies in the public sector’s usage of apprenticeships and states that public sector targets for each component of the public sector and duties will be introduced. AoC notes that this is a non-traditional sector for apprenticeship provision and would see the need for the development of new frameworks at all levels. Evidence suggests that apprenticeships, where available in the public services, tend to be in business and support service areas (as AoC research below supports) which raises issues regarding progression from apprenticeships to professional qualifications and of the need for the development of higher level apprenticeship frameworks.

21. We believe that the development of new frameworks should be considered at two levels. The first is at the local level where colleges, acting as advocates of apprenticeships for young people and adults, can work with local public services such as health and Local Government to develop frameworks that meet their needs. The second is at a national level where we believe that the national workforce strategy for each of the public sector services needs to include processes for public service apprenticeship delivery; as well as processes for the development of these with the relevant SSC.

22. As the representative organisation for a publicly funded sector, AoC recently carried out some preliminary research to determine the number of apprentices currently employed in Colleges across England. Approximately 20% of general FE colleges were approached directly, and early indications are that these colleges employ on average five apprentices each, with over 60% employing at least one. The apprentices are employed almost exclusively in business support or administration roles. More anecdotal feedback suggests that there is potential for an expansion of apprentices employed by colleges if the profile of apprenticeships and the processes associated with them are better understood.

Proposal for a new preparation programme—A2A (Access to Apprenticeship)

23. The requirement for an apprentice to have an Apprenticeship Agreement with an employer which will form a “contract of service” appears to imply an end to the current Programme Led Apprenticeship programme. Whilst there may be a case for restricting the term “apprentice” to those with employed status, we would be concerned that the concept of Programme led is lost. In some industries where permanent contractual arrangements are limited such as the creative industries, or others where a level of skill is required from the start of employment as in the Care sector, and there are age restrictions, it is difficult to implement traditional apprenticeship programmes. Innovative solutions to this situation need to be explored to ensure that these potential future apprentices are not lost.

24. AoC believes there is an opportunity for a fresh look at the way in which young people can access the Apprenticeship programme. We strongly believe that many young people will need an opportunity to develop and improve existing attainment prior to becoming eligible for an apprenticeship. We would advocate therefore the development of a flexible, new Access to Apprenticeship programme (A2A) which would enable employers and further education colleges to properly prepare recruits with employability skills, functional skills and perhaps the technical certificate (or elements of a Diploma/other education routes) as a funded and recognised precursor to Apprenticeship training. We are aware that this new title does not accord with Government thinking which is to decouple the word “apprentice” from anything that is not employer led. However, we think that each learning route should be clearly signalled for young people, including for those with a commitment to apprenticeships, but who haven’t got the minimum requirements, or employers willing to take them on at their current level of attainment.

25. If we look at the existing Programme-led Apprentices (PLA) Programme, we note that Ofsted sees significant value in this provision. The Ofsted Report on PLAs published in July 2008, found that PLAs are an important alternative to traditional employer-led apprenticeships, providing a path for young people who may find it difficult to gain employment, or for those who require an initial phase of upfront training before progressing onto an employer-led apprenticeship; that the majority of employers are positive about
the impact of PLAs as learners were found to be better prepared for the workplace, more confident, had greater knowledge and skills and were able to complete the full apprenticeship framework in a shorter time. We believe any criticisms could be addressed in the new approach we are advocating.

National Apprenticeship Service

26. The National Apprenticeship Service aims to simplify the organisation and management of apprenticeships, and although it remains to be seen how this will work in practice we believe it should not be overly bureaucratic so that colleges and other providers are still able to respond quickly to employer requirements. It is intended to be the single point of contact with employers but we believe that the relationship between employer, provider and apprentice is often based on experience and reputation, and that colleges will not want to lose contact with their employers through the setting up of an intermediary. Apprenticeships are a key component of many colleges employer engagement strategy and thought needs to be given to maintaining the ongoing relationships between colleges and employers, whilst encouraging other employers into the system. The solution for Train to Gain was use of a brokerage system where this was needed, but allowed alternative routes where it was not.

27. We believe that the success of the service will depend to some extent upon its links with local and regional structures and providers; its understanding of regional variations in the nature of programmes, employer needs and types of provider; its understanding of the provider base in local areas; the establishment of transparent and adequate funding models; the ability to interface with Train to Gain; the promotion of the vacancy matching service to all learners, employers and providers; its capacity to support SMEs to engage with the vacancy matching service; and, its ability to reduce bureaucracy.

28. However, we believe that the NAS could provide an effective marketing and promotion programme for schools and employers and could be used to raise the profile of Apprenticeships which would be of benefit to all concerned.

Information, advice and guidance in schools

29. AoC welcomes moves to improve IAG in schools and to ensure impartiality, and believe that the legislation could go further to ensure that this is embedded in the careers education curriculum in schools and colleges. We believe that this will need to be backed up by a full CPD programme for staff in schools to ensure their understanding of apprenticeship programmes. However, it is unclear how this requirement will be monitored and enforced, and what the penalty will be for those who do not meet the requirements of the Act.

30. In addition, AoC believes that it is the curriculum itself that should be the vehicle to apprenticeships, and that IAG by itself will not achieve this. We would anticipate that, as the 14–19 Qualifications Strategy is embedded in schools and across consortia, and as young people studying Diplomas move more freely between institutions there will be a breaking down of traditional routes and more opportunities for young people to discover alternative routes including apprenticeships, hopefully coming directly into contact with young people who have chosen this route. Advocates are needed for apprentices.

Progression into and from apprenticeships—integrating apprenticeships into the other aspects of the 14–19 Curriculum and to higher level study

31. AoC supports the Government’s aim to develop a coherent curriculum model 14–19, a single framework of which Apprenticeships are part, and believes this is essential to the success of plans to raise the participation age. However, we believe that much clearer links and progression pathways need to be made between the different routes in the 14–19 Strategy, namely Apprenticeships, Diplomas and GCSE/A levels. We believe that work needs to be done to map each route respectively to ensure each meets the requirements of the other, to facilitate progression between them. We believe that the requirements of the draft new Blueprint are appropriate and have the potential to link well to the different learning routes within the new curriculum, including the Foundation learning Tier and to HE.

We believe that each Diploma Line of Learning should be mapped to the knowledge based element of the Blueprint (represented by the technical certificates of the current apprentice frameworks), to facilitate progression into apprenticeships from Diplomas without the need for learners to repeat learning.

32. We are aware that the Foundation Learning Tier Progression Pathway to Employment is designed to replace the current Entry to Employment programme. However, we remain concerned that progression from this programme into an apprenticeship will be too big a jump for these learners who need considerable support, and are concerned that there is likely to be early drop out if young people progress to an apprenticeship programme and then can’t do it. We see progression to A2A as a means of providing these learners with a stepping stone to a full apprenticeship programme.
33. We note that the legislation relates to 16–18 year olds, and wish to see provision made for those over 19 to also receive public funding for apprenticeships programmes as suggested in World Class Apprenticeships.

34. Just as there is a need for a bridge from level one to level two for those 16–18 year olds, so there is a need for this for those over 19 and AoC would advocate the development of the Access to Apprenticeships model for those over 19 year olds, and would see this flexible programme as meeting the needs of those out of work and now subject to new requirements by DWP to undertake training to improve their prospects of gaining long-term employment.

35. In advocating the expansion of publicly funded apprenticeships to those over 19, which is suggested in World Class Apprenticeships and supported in the Grant letter to the LSC (2008–09) and by the Federation of Small Businesses (FSB), AoC would wish to highlight that attention needs to be paid to the marketing and pricing of Train to Gain to ensure that a preferential market is not created.

Models of Apprenticeship Delivery

36. AoC has gathered examples of apprenticeship delivery in colleges which is being complied into a pack of case studies and which will be available on request.

September 2008

Memorandum 19

Submission from the National Assembly for Wales Enterprise and Learning Committee

INTERIM RESPONSE TO THE INNOVATION, UNIVERSITIES, SCIENCE & SKILLS SELECT COMMITTEE TO THE DRAFT APPRENTICESHIP BILL

BACKGROUND


2. On 17 July, Phil Willis MP, Chair of the House of Commons’ Innovation, Universities, Science & Skills Committee wrote to the Chair, inviting the Enterprise and Learning Committee to present its views on the proposed legislation.

INTRODUCTION

3. The Enterprise and Learning Committee scrutinised John Griffiths AM, the Deputy Minister for Skills, and David Rosser, Director, and Leighton Jenkins, Assistant Director Policy, of CBI Wales, at its meeting on 24 September 2008. The witnesses provided written memoranda, which are attached at Annex 1. The transcript of oral evidence is at Annex 2.26

PROCEDURAL AND CONSTITUTIONAL ISSUES

4. The Bill is currently drafted to apply in England only. In his written memorandum the Deputy Minister stated:

Although the Bill as drafted is for England only, it is intended that the provisions of the Bill will be subsumed in the 4th session of the learning and Skills Bill at which stage it is possible that references and amendments to Wales might be included.25

We found this confusing. Given there is a further reference in the Deputy Minister’s memorandum to the “Learning and Skills Bill”, we sought clarification as to whether the “Education and Skills Bill” would be renamed or whether officials had confused that Bill with the draft Learning and Skills (Wales) Measure 2008 or other legislation elsewhere. No answer was forthcoming in oral evidence. The Deputy Minister undertook to provide written clarification.


5. The absence of this information precluded a meaningful discussion regarding the mechanism by which the Welsh clauses would be incorporated into the Bill.

6. The Deputy Minister’s written submission also referred to a letter sent by the First Minister to UK Government Ministers requesting provisions in future legislation on skills. The provision requested would:

- allow for co-operation between the Welsh Ministers and the Secretary of State in relation to the specification of apprenticeship standards;
- contain order making powers for the Welsh Ministers to give effect to the specification of apprenticeship standards in Wales;
- allow for order making powers for the Welsh Ministers to authorise a body to issue apprenticeship frameworks;
- allow for either the Welsh Ministers themselves, or for the Welsh Ministers to be able to authorise a body, to issue apprenticeship certificates and charge fees; and
- allow the proposal to clarify the meaning and status of apprenticeship agreements entered into in connection with a recognised apprenticeship framework, to apply in Wales.29

7. Retaining the current arrangements for apprenticeship standards and approval, fees, and the apprenticeship contract in England and Wales would be sensible. We would agree with the Deputy Minister that different standards should not operate across the borders to avoid difficulties for employers and individuals. CBI Wales shared our view. However in the interests of timely and effective parliamentary scrutiny, we wish to examine the draft legislation. We are grateful to the Deputy Minister for his assurance that he will do his utmost to ensure that that happens.30

8. We are of the opinion that this legislative approach is unsatisfactory and does not reflect well on the UK Government or the Welsh Assembly Government or indeed the current constitutional settlement. We have therefore sought clarification from the Deputy Minister regarding the passage of the Bill and the response to the Welsh Assembly Government’s request for provisions relating to the apprenticeship programme in Wales. We wish to scrutinise the Deputy Minister again on these matters as soon as possible.

9. We draw these matters to the attention of the Chair and Members of the Innovation, Universities, Science & Skills Committee, who, given the obfuscation of normal procedure, will already be aware that they will be asked to consider a much amended Bill at some future date. We place on record our concerns that a precedent for the introduction of Welsh clauses to Bills may be developing, given our Legislature’s recent experience of the Planning Bill, where Welsh provisions amended the Bill at a stage too late to allow for parliamentary scrutiny in Wales.

POLICY DEVELOPMENT

10. We observe that there is some evidence of success in developing apprenticeships in Wales given the increase in the number of apprentices and the completion rate of 50%, though in some instances we are aware of a mismatch in supply and demand.

SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs) AND SHARED APPRENTICESHIPS

11. Whilst not wishing to downplay the importance of large and medium-sized businesses to the economy in Wales and driving up skills’ levels, we have previously examined evidence regarding levels of training and development in SMEs and are not convinced that many know where and how to access support. We are also concerned that the current pressure on costs may lead some hard-pressed SMEs to offer less training. The Deputy Minister acknowledged the current challenge of reaching and engaging SMEs.

12. We are interested in the results of the shared apprenticeships pilot, which involved a number of SMEs coming together to provide an apprenticeship and look forward to receiving the Government’s evaluation. CBI Wales welcome shared apprenticeships.31

PARITY OF ESTEEM—CLAUSE 23

13. We are particularly concerned that the importance of vocational education should be understood by all providers and those who advise prospective apprentices, in order to benefit the economy, employers and individuals. We look forward to examining the Deputy Minister’s proposals for a matching service to be guided by Careers Wales.

14. We heard from CBI Wales about perceptions that apprenticeships had frequently been considered as the route for low achievers, whilst high achievers were directed to academe. We requested firm evidence and details of case studies, but agree with CBI Wales’s view that Clause 23 of the draft Bill should be strengthened to ensure that all young people are made aware of the benefits of apprenticeships.\(^{32}\)

**The Welsh Baccalaureate**

15. The Deputy Minister stated that he was trying to align the Welsh baccalaureate with the apprenticeship frameworks.\(^{33}\) The issue of consistency emerges, since the Welsh baccalaureate has not been implemented universally across Wales. We were told that the Welsh Assembly Government’s aim would be to operate a system whereby credits obtained by pursuing the Welsh baccalaureate would count towards the apprenticeship framework.\(^{34}\)

**Fees**

16. The Deputy Minister is seeking powers through this legislation to introduce fees for some apprenticeships. We realise that apprenticeships are heavily subsidised, but we are anxious to ensure that employers are not disincentivised from taking on apprentices, and that those who enter apprenticeships will not be deterred from completing them.

**Sector Skills Councils (SSCs)**

17. As England and Wales’ bodies, the SSCs are closely involved with apprenticeships in Wales, given that they draw up the apprenticeship frameworks. However they are currently being relicensed by the UK Employment and Skills Board and the Deputy Minister was unable to tell us when that process would be completed.

**Disability**

18. We wished to learn of how the Deputy Minister was catering for people with disabilities who desired to access apprenticeships. Given the Welsh Assembly Government’s policy of integrating disabled people into the workforce, the Deputy Minister did not foresee a time when a quota might be introduced, but he gave his commitment to equality of opportunity in employment.

**The Employers’ Perspective—Skills**

19. Businesses frequently highlight that they are unable to recruit staff with the necessary skills to run and develop their businesses. We are aware that many employers find that apprenticeships are college based and do not transfer to the workplace. The Deputy Minister acknowledged that technical certificates could be obtained without work experience.\(^{35}\) We are also keen to ensure that the strongest possible encouragement is given to businesses to participate in work experience.

**The Employers’ Perspective—Standards**

20. In a knowledge economy, business needs and demands change rapidly and we feel that it is important that the apprenticeship frameworks are sufficiently flexible to adapt to new requirements. CBI Wales articulated the frustration of many employers—Toyota; EADS Defence and Security Systems UK; among them—who are unable to “accurately map the needs of their businesses—particularly where technology changes rapidly—onto existing set apprenticeship frameworks”.\(^{36}\) We echo the view of CBI Wales that flexibility will be key to the success of the apprenticeships programme.

*October 2008*

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Supplementary evidence from the Learning Skills Council (LSC)

**DRAFT APPRENTICESHIP BILL 2008**

1. The IUS Select Committee requested further evidence regarding the characteristics of Apprenticeship starts.

2. In particular the request was to identify the proportionate differences between “conversions” and “new recruits”.

3. The data that the LSC collects identifies the employment status of a person the day before starting an Apprenticeship—for the benefit of these statistics, we have defined a conversion as an Apprentice who was employed on the last working day before starting, and a new recruit as an Apprentice who was not recorded as being employed on the last working day before starting.

4. The Committee should be aware that the percentage of new recruits is probably understated and the conversions are overstated using this definition. This is because there are circumstances whereby a learner recorded as being in employment the day before learning and on the first day of learning may not have been in continuous employment with an individual employer; or a learner may have been in continuous employment with the same employer but was recruited to a probationary period prior to starting the apprenticeship. Data collected does not allow us to identify these circumstances but often employers, such as Tesco, will recruit individuals with the intention of providing them with Apprenticeship training but the training begins once they are employed. Using the definition in this way does not enable us to show that intention. To offer evidence that supports this practice we would be happy to provide you, if requested, some case studies of employers where they offer recruitment to individuals with the intention of commencing an apprenticeship after a short probationary period.

5. Please note that % may not add up to 100% due to rounding.

**RESPONSES TO THE QUESTIONS RAISED BY THE COMMITTEE**

1. **Overall Comparison**

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<td>Conversions</td>
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<td>New Recruits</td>
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1.1 The majority of Apprenticeship starts are conversions as defined by the employment status the day before they start their Apprenticeship.

1.2 The proportion has been increasing during a period of focus on employers and the needs of their employees.

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<tr>
<th>Table 1a</th>
<th>Academic Year</th>
</tr>
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<tbody>
<tr>
<td>Age</td>
<td>2005–06</td>
</tr>
<tr>
<td>16–18</td>
<td>Conversions</td>
</tr>
<tr>
<td></td>
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</tr>
<tr>
<td>16–18 Total</td>
<td></td>
</tr>
<tr>
<td>19–24</td>
<td>Conversions</td>
</tr>
<tr>
<td></td>
<td>New Recruits</td>
</tr>
<tr>
<td>19–24 Total</td>
<td></td>
</tr>
<tr>
<td>25+</td>
<td>Conversions</td>
</tr>
<tr>
<td></td>
<td>New Recruits</td>
</tr>
<tr>
<td>25+ Total</td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
</tr>
</tbody>
</table>

1.3 Conversions are more apparent for age 19–24 and 25+.

1.4 A third of 16–18 year olds are new recruits.
2. **Apprenticeship Level**

<table>
<thead>
<tr>
<th>Table 2</th>
<th>Years</th>
<th>2005–06</th>
<th>%</th>
<th>2006–07</th>
<th>%</th>
</tr>
</thead>
</table>
| Conversions &nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&n

2.1 Conversions are slightly more likely to be Advanced Apprentices.

2.2 There is a drift for both conversions and new recruits towards a greater proportion of Advanced Apprentices in line with aspirations to increase participation at Level 3 and above.

2. **Gender**

<table>
<thead>
<tr>
<th>Table 3</th>
<th>Years</th>
<th>2005–06</th>
<th>%</th>
<th>2006–07</th>
<th>%</th>
</tr>
</thead>
</table>
| Conversions &nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&n

3.1 There is a more equitable split between males and females for conversions than new recruits.

3.2 This is possibly a result of new recruits being proportionately more present in traditional apprenticeship sectors such as engineering and manufacturing (see table 5).

3. **Ethnicity**

<table>
<thead>
<tr>
<th>Table 4</th>
<th>2005–06</th>
<th>%</th>
<th>2006–07</th>
<th>%</th>
</tr>
</thead>
</table>
| Conversions &nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&nbsp;&n

4.1 There is a slight improvement in diversity across the board.

4.2 There is a higher level of diversity in new recruits.
### 4. Sectors

#### Table 5a

<table>
<thead>
<tr>
<th>Sector Subject Area</th>
<th>2005–06</th>
<th>%</th>
<th>2006–07</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Conversions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture, Horticulture and Animal Care</td>
<td>2,508</td>
<td>2%</td>
<td>2,751</td>
<td>2%</td>
</tr>
<tr>
<td>Arts, Media and Publishing</td>
<td>244</td>
<td>0%</td>
<td>157</td>
<td>0%</td>
</tr>
<tr>
<td>Business, Administration and Law Construction, Planning and the Built Environment</td>
<td>29,132</td>
<td>23%</td>
<td>30,163</td>
<td>21%</td>
</tr>
<tr>
<td>Education and Training</td>
<td>14,196</td>
<td>11%</td>
<td>19,819</td>
<td>14%</td>
</tr>
<tr>
<td>Engineering and Manufacturing Technologies</td>
<td>61</td>
<td>0%</td>
<td>39</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>127,209</td>
<td>100%</td>
<td>141,241</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Conversion</strong></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Horticulture and Animal Care</td>
<td>1,545</td>
<td>3%</td>
<td>1,179</td>
<td>3%</td>
</tr>
<tr>
<td>Arts, Media and Publishing</td>
<td>71</td>
<td>0%</td>
<td>68</td>
<td>0%</td>
</tr>
<tr>
<td>Business, Administration and Law Construction, Planning and the Built Environment</td>
<td>8,027</td>
<td>17%</td>
<td>6,265</td>
<td>15%</td>
</tr>
<tr>
<td>Education and Training</td>
<td>7,472</td>
<td>16%</td>
<td>7,701</td>
<td>18%</td>
</tr>
<tr>
<td>Engineering and Manufacturing Technologies</td>
<td>45</td>
<td>0%</td>
<td>53</td>
<td>0%</td>
</tr>
<tr>
<td>Health, Public Services and Care</td>
<td>12,609</td>
<td>26%</td>
<td>12,666</td>
<td>29%</td>
</tr>
<tr>
<td>Information and Communication Technology</td>
<td>7,100</td>
<td>15%</td>
<td>6,353</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>174,979</td>
<td>100%</td>
<td>184,427</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>New Recruits</strong></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Horticulture and Animal Care</td>
<td>1,101</td>
<td>2%</td>
<td>925</td>
<td>2%</td>
</tr>
<tr>
<td>Arts, Media and Publishing</td>
<td>2,073</td>
<td>4%</td>
<td>1,801</td>
<td>4%</td>
</tr>
<tr>
<td>Business, Administration and Law Construction, Planning and the Built Environment</td>
<td>6,210</td>
<td>13%</td>
<td>5,340</td>
<td>12%</td>
</tr>
<tr>
<td>Education and Training</td>
<td>1,517</td>
<td>3%</td>
<td>835</td>
<td>2%</td>
</tr>
<tr>
<td>Engineering and Manufacturing Technologies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health, Public Services and Care</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information and Communication Technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>47,770</td>
<td>100%</td>
<td>43,186</td>
<td>100%</td>
</tr>
</tbody>
</table>

* 5 OR LESS
This table updates the information provided by the LSC (Table 5) and shows frameworks undertaken by conversions and new recruits.

<table>
<thead>
<tr>
<th>Framework</th>
<th>Academic Years</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>2005–06</td>
</tr>
<tr>
<td><strong>Conversion</strong></td>
<td></td>
</tr>
<tr>
<td>Accountancy</td>
<td>2,899</td>
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<tr>
<td>Active Leisure and Learning</td>
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<tr>
<td>Advice and Guidance</td>
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<tr>
<td>Agriculture Crops and Livestock</td>
<td>244</td>
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<tr>
<td>Amenity Horticulture</td>
<td>761</td>
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<tr>
<td>Animal Care</td>
<td>163</td>
</tr>
<tr>
<td>Animal Technology</td>
<td>* 0%</td>
</tr>
<tr>
<td>Apparel</td>
<td>* 0%</td>
</tr>
<tr>
<td>Arboriculture</td>
<td>* 0%</td>
</tr>
<tr>
<td>Arts and Entertainment, Cultural Heritage, Information and Library Services</td>
<td>* 0%</td>
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<tr>
<td>Automotive Industry</td>
<td>725</td>
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<tr>
<td>Aviation</td>
<td>142</td>
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<tr>
<td>Bakery</td>
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<tr>
<td>Barbering</td>
<td>57</td>
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<tr>
<td>Beauty Therapy</td>
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<tr>
<td>Building Services Engineering Technicians</td>
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<tr>
<td>Business Administration</td>
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<td>Carry and Deliver Goods</td>
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<td>Ceramics</td>
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<td>Chemical, Pharmaceutical, Petro-Chemical Manufacturing and Refining Industries</td>
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<tr>
<td>Children’s Care Learning and Development</td>
<td>6,747</td>
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<tr>
<td>Cleaning and Support Service Industry</td>
<td>20</td>
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<tr>
<td>Coatings Development Plan</td>
<td>* 0%</td>
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<tr>
<td>Communications Technologies (Telecoms)</td>
<td>2,814</td>
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<tr>
<td>Community Justice</td>
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<tr>
<td>Construction</td>
<td>9,830</td>
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<tr>
<td>Contact Centres</td>
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<td>Cultural Heritage</td>
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<td>Customer Service</td>
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<td>Dental Nursing</td>
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<tr>
<td>Design</td>
<td>* 0%</td>
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<tr>
<td>Driving Goods Vehicles</td>
<td>1,736</td>
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<tr>
<td>Electrical and Electronic Servicing</td>
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<tr>
<td>Electricity Industry</td>
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<td>Electrotechnical</td>
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<td>Emergency Fire Service Operations</td>
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<td>Engineering</td>
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<td>Engineering Construction</td>
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<td>Engineering Technology</td>
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<tr>
<td>Environmental Conservation</td>
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<tr>
<td>Equine Industry</td>
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<tr>
<td>Events</td>
<td>* 0%</td>
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<tr>
<td>Farriery</td>
<td>104</td>
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<tr>
<td>Fencing</td>
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<tr>
<td>Fitted Interiors</td>
<td>13</td>
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<tr>
<td>Floristry</td>
<td>121</td>
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<tr>
<td>Food and Drink Manufacturing Operations</td>
<td>119</td>
</tr>
<tr>
<td>Football Sporting Excellence</td>
<td>* 0%</td>
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<tr>
<td>Footwear and Leather</td>
<td>32</td>
</tr>
<tr>
<td>Furniture Industry</td>
<td>305</td>
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<tr>
<td>Game and Wildlife Management</td>
<td>44</td>
</tr>
<tr>
<td>Gas Industry</td>
<td>519</td>
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<tr>
<td>Glass Industry</td>
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</tr>
<tr>
<td>Hairdressing</td>
<td>11,235</td>
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<tr>
<td>Health and Social Care</td>
<td>6,766</td>
</tr>
<tr>
<td>Heating, Ventilation, Air Conditioning and Refrigeration</td>
<td>875</td>
</tr>
<tr>
<td>Highways Maintenance</td>
<td>* 0%</td>
</tr>
<tr>
<td>Framework</td>
<td>Academic Years</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Hospitality and Catering</td>
<td></td>
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<tr>
<td>Housing</td>
<td></td>
</tr>
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<td>Industrial Applications</td>
<td></td>
</tr>
<tr>
<td>Installing Cabling Systems</td>
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<tr>
<td>Insurance</td>
<td></td>
</tr>
<tr>
<td>International Trade and Services</td>
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<tr>
<td>IT Professional</td>
<td></td>
</tr>
<tr>
<td>IT Services and Development</td>
<td></td>
</tr>
<tr>
<td>IT User</td>
<td></td>
</tr>
<tr>
<td>Laboratory Technicians (Generic)</td>
<td></td>
</tr>
<tr>
<td>Land-based Service Engineering</td>
<td></td>
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<tr>
<td>Learning and Development (Direct Training and Support)</td>
<td></td>
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<tr>
<td>Mail Services</td>
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<tr>
<td>Management</td>
<td></td>
</tr>
<tr>
<td>Man-Made Fibres</td>
<td></td>
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<tr>
<td>Marine Industry</td>
<td></td>
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<tr>
<td>Meat and Poultry Processing</td>
<td></td>
</tr>
<tr>
<td>Metals Industry</td>
<td></td>
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<tr>
<td>Nail Services</td>
<td></td>
</tr>
<tr>
<td>Newspaper Industry</td>
<td></td>
</tr>
<tr>
<td>Oil and Gas Extraction</td>
<td></td>
</tr>
<tr>
<td>Operating Department Practice</td>
<td></td>
</tr>
<tr>
<td>Optical Advisor</td>
<td></td>
</tr>
<tr>
<td>Payroll</td>
<td></td>
</tr>
<tr>
<td>Pharmacy Technicians</td>
<td></td>
</tr>
<tr>
<td>Photo Imaging</td>
<td></td>
</tr>
<tr>
<td>Physiological Measurement Technicians</td>
<td></td>
</tr>
<tr>
<td>(AMA only)</td>
<td></td>
</tr>
<tr>
<td>Plumbing</td>
<td></td>
</tr>
<tr>
<td>Polymer Processing and Signmaking</td>
<td></td>
</tr>
<tr>
<td>Ports Industry</td>
<td></td>
</tr>
<tr>
<td>Print and Printed Packaging</td>
<td></td>
</tr>
<tr>
<td>Procurement</td>
<td></td>
</tr>
<tr>
<td>Production Horticulture</td>
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<tr>
<td>Property Services</td>
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<tr>
<td>Public Services</td>
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<td>Rail Transport Engineering</td>
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<td>Rail Transport Operations</td>
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<tr>
<td>Retail</td>
<td></td>
</tr>
<tr>
<td>Retail Financial Services</td>
<td></td>
</tr>
<tr>
<td>Road Passenger Transport—Bus and Coach</td>
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</tr>
<tr>
<td>Roadside Assistance and Recovery</td>
<td></td>
</tr>
<tr>
<td>Saddlery</td>
<td></td>
</tr>
<tr>
<td>Sales and Telesales</td>
<td></td>
</tr>
<tr>
<td>Sea Fishing</td>
<td></td>
</tr>
<tr>
<td>Security Industry</td>
<td></td>
</tr>
<tr>
<td>Signmaking</td>
<td></td>
</tr>
<tr>
<td>Sporting Excellence</td>
<td></td>
</tr>
<tr>
<td>Storage and Warehousing</td>
<td></td>
</tr>
<tr>
<td>Support Services in Healthcare</td>
<td></td>
</tr>
<tr>
<td>Teaching Assistants</td>
<td></td>
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<tr>
<td>Textiles</td>
<td></td>
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<tr>
<td>Traffic Office</td>
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</tr>
<tr>
<td>Transport Engineering and Maintenance</td>
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</tr>
<tr>
<td>Travel and Tourism Services Leisure and Business</td>
<td></td>
</tr>
<tr>
<td>Trees and Timber</td>
<td></td>
</tr>
<tr>
<td>Vehicle Body and Paint Operations</td>
<td></td>
</tr>
<tr>
<td>Vehicle Fitting</td>
<td></td>
</tr>
<tr>
<td>Vehicle Maintenance and Repair</td>
<td></td>
</tr>
</tbody>
</table>
## Table 5b

<table>
<thead>
<tr>
<th>Framework</th>
<th>2005–06</th>
<th>%</th>
<th>2006–07</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Parts Operations</td>
<td>201</td>
<td>0%</td>
<td>290</td>
<td>0%</td>
</tr>
<tr>
<td>Vehicle Sales</td>
<td>63</td>
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<td>85</td>
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<tr>
<td>Veterinary Nursing</td>
<td>543</td>
<td>0%</td>
<td>638</td>
<td>0%</td>
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<td>Wholesale, Distribution, Warehousing and Storage</td>
<td>739</td>
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<td>846</td>
<td>1%</td>
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<tr>
<td>Youth Work</td>
<td>11</td>
<td>0%</td>
<td>11</td>
<td>0%</td>
</tr>
</tbody>
</table>

### Conversions

| Total | 127,209 | 100% | 141,241 | 100% |

### New Recruits

<table>
<thead>
<tr>
<th>Field</th>
<th>Academic Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountancy</td>
<td>598</td>
</tr>
<tr>
<td>Active Leisure and Learning</td>
<td>1,015</td>
</tr>
<tr>
<td>Advice and Guidance</td>
<td>*</td>
</tr>
<tr>
<td>Agricultural Crops and Livestock</td>
<td>179</td>
</tr>
<tr>
<td>Amenity Horticulture</td>
<td>284</td>
</tr>
<tr>
<td>Animal Care</td>
<td>243</td>
</tr>
<tr>
<td>Apparel</td>
<td>*</td>
</tr>
<tr>
<td>Arboriculture</td>
<td>*</td>
</tr>
<tr>
<td>Automotive Industry</td>
<td>627</td>
</tr>
<tr>
<td>Aviation</td>
<td>*</td>
</tr>
<tr>
<td>Barbering</td>
<td>17</td>
</tr>
<tr>
<td>Beauty Therapy</td>
<td>413</td>
</tr>
<tr>
<td>Broadcast, Film, Video and Interactive Media Industry</td>
<td>*</td>
</tr>
<tr>
<td>Building Services Engineering Technicians</td>
<td>14</td>
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<tr>
<td>Business Administration</td>
<td>6,256</td>
</tr>
<tr>
<td>Carry and Deliver (No longer in use—See 228)</td>
<td>*</td>
</tr>
<tr>
<td>Carry and Deliver Goods</td>
<td>*</td>
</tr>
<tr>
<td>Ceramics</td>
<td>*</td>
</tr>
<tr>
<td>Chemical, Pharmaceutical, Petro-chemical</td>
<td>90</td>
</tr>
<tr>
<td>Children’s Care Learning and Development</td>
<td>5,583</td>
</tr>
<tr>
<td>Cleaning and Support Service Industry</td>
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</tr>
<tr>
<td>Communications Technologies (Telecoms)</td>
<td>22</td>
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<tr>
<td>Community Justice</td>
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<tr>
<td>Construction</td>
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<tr>
<td>Contact Centres</td>
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<tr>
<td>Customer Service</td>
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<tr>
<td>Dental Nursing</td>
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<tr>
<td>Design</td>
<td>9</td>
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<td>Driving Goods Vehicles</td>
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<tr>
<td>Electrical and Electronic Servicing</td>
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<tr>
<td>Electricity Industry</td>
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</tr>
<tr>
<td>Electrotechnical</td>
<td>2,908</td>
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<tr>
<td>Emergency Fire Service Operations</td>
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</tr>
<tr>
<td>Engineering</td>
<td>4,066</td>
</tr>
<tr>
<td>Engineering Construction</td>
<td>171</td>
</tr>
<tr>
<td>Engineering Technology</td>
<td>8</td>
</tr>
<tr>
<td>Environmental Conservation</td>
<td>15</td>
</tr>
<tr>
<td>Equine Industry</td>
<td>703</td>
</tr>
<tr>
<td>Fencing</td>
<td>*</td>
</tr>
<tr>
<td>Fitted Interiors</td>
<td>10</td>
</tr>
<tr>
<td>Floristry</td>
<td>34</td>
</tr>
<tr>
<td>Food and Drink Manufacturing Operations</td>
<td>*</td>
</tr>
<tr>
<td>Football Sporting Excellence</td>
<td>158</td>
</tr>
<tr>
<td>Footwear and Leather</td>
<td>*</td>
</tr>
<tr>
<td>Furniture Industry</td>
<td>55</td>
</tr>
<tr>
<td>Game and Wildlife Management</td>
<td>40</td>
</tr>
<tr>
<td>Gas Industry</td>
<td>216</td>
</tr>
<tr>
<td>Gas Network Operations</td>
<td>*</td>
</tr>
<tr>
<td>Glass Industry</td>
<td>46</td>
</tr>
<tr>
<td>Hairdressing</td>
<td>3,646</td>
</tr>
<tr>
<td>Health and Social Care</td>
<td>1,386</td>
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<tr>
<td>Heating, Ventilation, Air Conditioning and Refrigeration</td>
<td>215</td>
</tr>
<tr>
<td>Framework</td>
<td>2005–06</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>Highways Maintenance</td>
<td>* 0%</td>
</tr>
<tr>
<td>Hospitality and Catering</td>
<td>807 2%</td>
</tr>
<tr>
<td>Industrial Applications</td>
<td>420 1%</td>
</tr>
<tr>
<td>Insurance</td>
<td>40 0%</td>
</tr>
<tr>
<td>IT Professional</td>
<td>* 0%</td>
</tr>
<tr>
<td>IT Services and Development</td>
<td>542 1%</td>
</tr>
<tr>
<td>IT User</td>
<td>546 1%</td>
</tr>
<tr>
<td>Laboratory Technicians (Generic)</td>
<td>* 0%</td>
</tr>
<tr>
<td>Land-based Service Engineering</td>
<td>70 0%</td>
</tr>
<tr>
<td>Learning and Development (Direct Training and Support)</td>
<td>* 0%</td>
</tr>
<tr>
<td>Management</td>
<td>20 0%</td>
</tr>
<tr>
<td>Marine Industry</td>
<td>53 0%</td>
</tr>
<tr>
<td>Meat and Poultry Processing</td>
<td>* 0%</td>
</tr>
<tr>
<td>Metals Industry</td>
<td>13 0%</td>
</tr>
<tr>
<td>Nail Services</td>
<td>21 0%</td>
</tr>
<tr>
<td>Operating Department Practice</td>
<td>* 0%</td>
</tr>
<tr>
<td>Optical Advisor</td>
<td>* 0%</td>
</tr>
<tr>
<td>Payroll</td>
<td>* 0%</td>
</tr>
<tr>
<td>Pharmacy Technicians</td>
<td>* 0%</td>
</tr>
<tr>
<td>Plumbing</td>
<td>1,506 3%</td>
</tr>
<tr>
<td>Polymer Processing and Signmaking</td>
<td>23 0%</td>
</tr>
<tr>
<td>Ports Industry</td>
<td>* 0%</td>
</tr>
<tr>
<td>Print and Printed Packaging</td>
<td>71 0%</td>
</tr>
<tr>
<td>Production Horticulture</td>
<td>* 0%</td>
</tr>
<tr>
<td>Property Services</td>
<td>31 0%</td>
</tr>
<tr>
<td>Public Services</td>
<td>* 0%</td>
</tr>
<tr>
<td>Rail Transport Engineering</td>
<td>153 0%</td>
</tr>
<tr>
<td>Retail</td>
<td>1,170 2%</td>
</tr>
<tr>
<td>Retail Financial Services</td>
<td>* 0%</td>
</tr>
<tr>
<td>Road Passenger Transport—Bus and Coach</td>
<td>* 0%</td>
</tr>
<tr>
<td>Roadside Assistance and Recovery</td>
<td>* 0%</td>
</tr>
<tr>
<td>Saddlery</td>
<td>* 0%</td>
</tr>
<tr>
<td>Sales and Telesales</td>
<td>* 0%</td>
</tr>
<tr>
<td>Sea Fishing</td>
<td>25 0%</td>
</tr>
<tr>
<td>Security Industry</td>
<td>30 0%</td>
</tr>
<tr>
<td>Signmaking</td>
<td>* 0%</td>
</tr>
<tr>
<td>Sporting Excellence</td>
<td>465 1%</td>
</tr>
<tr>
<td>Storage and Warehousing</td>
<td>44 0%</td>
</tr>
<tr>
<td>Support Services in Healthcare</td>
<td>30 0%</td>
</tr>
<tr>
<td>Teaching Assistants</td>
<td>45 0%</td>
</tr>
<tr>
<td>Textiles</td>
<td>69 0%</td>
</tr>
<tr>
<td>Transport Engineering and Maintenance</td>
<td>87 0%</td>
</tr>
<tr>
<td>Travel and Tourism Services Leisure and Business</td>
<td>588 1%</td>
</tr>
<tr>
<td>Trees and Timber</td>
<td>25 0%</td>
</tr>
<tr>
<td>Vehicle Body and Paint Operations</td>
<td>590 1%</td>
</tr>
<tr>
<td>Vehicle Fitting</td>
<td>655 1%</td>
</tr>
<tr>
<td>Vehicle Maintenance and Repair</td>
<td>2,970 6%</td>
</tr>
<tr>
<td>Vehicle Parts Operations</td>
<td>165 0%</td>
</tr>
<tr>
<td>Vehicle Sales</td>
<td>7 0%</td>
</tr>
<tr>
<td>Veterinary Nursing</td>
<td>35 0%</td>
</tr>
<tr>
<td>Water Industry</td>
<td>* 0%</td>
</tr>
<tr>
<td>Wholesale, Distribution, Warehousing and Storage</td>
<td>211 0%</td>
</tr>
<tr>
<td>Youth Work</td>
<td>19 0%</td>
</tr>
</tbody>
</table>

**New Recruits**

**Total**

47,770 100% 43,186 100%  

---

1 This table was supplied by the Government in November 2008 and is printed here for ease of comparison.
5.1 There is a sectoral bias for new recruits towards traditional Apprenticeship sectors such as engineering, manufacturing and construction and health & public services.

6. Framework Completions

<table>
<thead>
<tr>
<th>Table 6</th>
<th>2005–06</th>
<th>%</th>
<th>2006–07</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conversions</td>
<td>67475</td>
<td>68%</td>
<td>81350</td>
<td>73%</td>
</tr>
<tr>
<td>New Recruits</td>
<td>31207</td>
<td>32%</td>
<td>30484</td>
<td>27%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>98682</td>
<td>100%</td>
<td>111834</td>
<td>100%</td>
</tr>
</tbody>
</table>

6.1 The proportion of completions represented by conversions has been increasing which is in line with the increasing share of starts.

6.2 Success rates by these categories are not readily available.

7. Other Items

7.1 Consistently each year 10% of all conversions and 13% of all new recruits declare that they consider themselves to have a disability or learning difficulty.

7.2 Information on average length of stay for conversions and new recruits is not readily available.

October 2008