Sector Skills Development Agency

skills
FOR BUSINESS

Apprenticeships in the UK
-their design, development and implementation

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EXECUTIVE SUMMARY

Background

Apprenticeships continue to be placed at the very top of the Government's skills and training agenda.

In England, following on from Sir John Cassels' report "The Way to Work" in September 2001, the Government's Skills Strategy (July 2003) referenced the importance of Modern Apprenticeships as a top quality vocational route, and the need to strengthen and extend them to meet the needs of employers. The "End to End Review", concluded by the Department for Education and Skills (DfES) in 2004, looked at the effectiveness, flexibility and agility and robustness of the processes used to promote and deliver Modern Apprenticeships.

Apprenticeships are also under the scrutiny of the Apprenticeship Task Force, the Equal Opportunities Commission[1] and the Parliamentary Education and Skills Select Committee.

In Scotland, action plans are currently being drawn up by Highlands and Islands Enterprise and the Scottish Enterprise Networks as a result of the recent report for the Scottish Executive "Modern Apprenticeships: Improving Completion Rates". The report listed a number of recommendations on how completion rates in Scotland may move beyond the current levels which fluctuate around 48% to 51%.

Other action to increase the take-up of apprenticeships and improve progression routes includes consultation work by the Scottish Executive on the possibility of replacing some of their Skillseekers provision with Modern Apprenticeships at level 2 (as yet not available at all in Scotland).

Provision differs across the four countries of the UK. While all have 'pre-apprenticeship' provision such as SkillBuild in Wales, there are contrasting arrangements for apprenticeships at levels 2 and 3 and for older trainees.

Falling numbers, particularly for Advanced Apprenticeships in England, (from 76,800 to 47,300 starts between 2000 and 2003) the consistently high numbers of non-completers (67% at level 3, and 74% at level 2 in 2003/04, and 49% in Scotland)[2] and indications that Apprenticeships continue to fail to capture the imagination of employers, young people, their parents, teachers and careers advisors are amongst the factors prompting this increased scrutiny.

Purpose of the Research

It was very timely therefore to carry out research into some of these issues, particularly in the light of the changes to Apprenticeships announced by the Government for England in May 2004. The research

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[1] Known as the General Formal Investigation into the Occupational Segregation in Modern Apprenticeship by the EOC
[2] Such general figures hide deep fluctuations between sectors some of which have experienced significant fall in starts.

centres on the Skills for Business network (SfBn) in order to identify an overall stance on Apprenticeships.

The research on which this report is based focuses on whether employer's needs are being met **from an SSC perspective.** The research includes suggestions for change that capture recommendations on mechanisms for customer feedback to drive continuous improvement.

The report has taken into account previous research on Apprenticeships and the views and research of employer organisations. In terms of causes of both low take-up and poor completion rates, successive studies have found that mismatches between apprenticeship provision and the needs of employers and learners are a significant factor.

The main difference, however, between this research and others is that it focuses almost entirely on the SSCs and sector bodies[3]. It provides detail on their experience of Apprenticeships and whether, in their view, their Apprenticeships meet the needs of their employer constituency.

The research provides examples of market failures as well as market improvers, gives examples of best practice, and sets out the Skills for Business network recommendations for change.

Framework Design Principles

Above all the SSCs want to have a robust policy input to funding approaches and apprenticeship policy at all stages UK wide. Times when the SSCs have not been consulted or involved in the early stages have seen poorer results than may otherwise have occurred.

Currently SSCs' main role with regard to Apprenticeships is in the design of the Apprenticeship frameworks. Their overriding perception is that **the frameworks are not sufficiently flexible or employer-centred**.

Particularly in England, the current apprenticeship system is regarded as relatively rigid - requiring specific outcomes, levels and types of qualification within a framework. Policy changes[4] and introductions to the apprenticeship process, particularly since 2001, have resulted in a narrower set of requirements on framework components. As just one example: a level 4 qualification was previously allowed in an Advanced Apprenticeship framework. However, that is not now the case.

Evidence shows that whilst employers are being encouraged to believe they will have even greater input into the design of frameworks through the SSCs, their needs are being frustrated by the inability to move beyond or outside the main framework requirements.

In England exceptions are now being allowed, however, whereby an employer (but only if of a sufficient, significant size) can bypass the usual SSC design process and work directly with the LSC National Contracts

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[3] Sector Bodies are those organisations which have chosen not to become an SSC or are currently forming a partnership to become part of one. From this point forward all references to SSCs include sector bodies for ease of reading.
[4] And which have not involved SSCs much in the process, a trend which the Skills for Business network would wish to see reversed in terms of requiring greater involvement in Apprenticeship policy and design.

Service on their specific requirements. SSCs would prefer the liaison and links with these employers to remain within their organisations.

It is agreed across the SfBn that **one size does NOT fit all**. This is simply due to the fact that SSCs represent diverse sectors and sub-sectors, each of whose workforce has very different skill, qualifications and career progression profiles - as can be testified by the sector workforce development plans and on-going work by pilot SSCs on their forthcoming Sector Skill Agreements. The Apprenticeships framework as it currently stands straitjackets such diversification.

It is recognised that the new family of apprenticeships provides for a greater set of progression opportunities (through including young apprenticeships and the forthcoming adult apprenticeships), the outcome requirements of each however potentially mirror the rigidity currently being experienced by Apprenticeships at level 2 and level 3.

Gaps that do not meet employer requirements are also evident in Scotland whereby the lack of an Apprenticeship at level 2 continues to frustrate a number of employers' needs. A situation currently being consulted upon.

Variations in framework policy - at both national and regional level - further dissuade employers from using apprenticeship provision as it adds to their perception of unnecessary complexity.

A number of critical elements of apprenticeships differ between the countries of the UK including:

1) the requirements for specific components,
2) the funding structures,
3) the titles of the programmes and
4) key policy and implementation parties to apprenticeship frameworks

Local LSCs and LECs in Scotland have different priorities and therefore some provide funding for certain apprenticeships when others will not.

Employers, not bound by the requirements of the devolved administrations within their own organisations and wishing to engage numbers of apprentices on a cross-regional or cross-national basis, are very frustrated and confused by these national variations and administrative complexities.

Are Apprenticeships fit-for-purpose ?

None of the SSCs as a consequence feel that the current apprenticeship frameworks are fit-for-purpose.

Firstly, there are concerns over the components themselves :

Key Skills

- whilst it is important to note that, in the main, employers regard it is as imperative that their employees are numerate, literate and able to work with others, the requirement that these skills are evidenced and tested (in England) almost regardless of whether the employees already have such skills, causes great anguish and - crucially - diminishes the status and effectiveness of the entire apprenticeship system in the eyes of many

influential employers.

- When Key Skills are not contextualised, perhaps as a result of poor delivery by providers, they are even more widely resented by employers. The need for external testing is a significant factor in this - a need which many SSCs would like to see removed altogether as it will be for Wales from September 2004 (and it was not introduced in Scotland at all).

Technical Certificates

- The Technical Certificate (England and Wales) is unpopular in more than half the SSCs' sectors for a variety of reasons: the perceived irrelevance of content; the perception that NVQs provide more relevant knowledge and allowing for possible overlap and duplication in the assessment of both qualifications; and problems of releasing apprentices for the off-the-job training that the Technical Certificate requires. There are also concerns about the inflexibility of the Guided Learning Hours specifications, which do not differentiate between sub-sectors.

NVQs/SVQs

- While, overall, **NVQs/SVQs** appear to be the least controversial component of apprenticeship provision, employers have still raised a number of concerns regarding their appropriateness. These include: whole sectors' indifference or even hostility to NVQs/SVQs where other Vocational Qualifications are better regarded; the bureaucracy associated with these qualifications; their sometimes poor fit with the job role being covered; and their lack of flexibility in content, design and structure.

Current **funding arrangements,** in their focus on the 16-18 age group, act as a significant barrier to take up and success. Across many sectors the larger cohort and, therefore, demand for apprenticeships consists of older candidates. These are also the candidates most likely to complete (with obvious effects on overall completion rates).

In addition, some sectors may be subject to statutory legislation pertaining to workforce age restrictions. In others the nature of the work (eg, involving the use of heavy machinery) may lead employers to target older recruits.

Dissatisfaction with this lack of fitness for purpose is such that there are examples of larger **employers withdrawing** from their sector's apprenticeship to run their own in-house scheme. In relation to this, some SSCs, where sufficiently resourced, would want to undertake the quality assurance of their employers' work to **map in-house schemes against apprenticeship frameworks**.

Discussions about making Apprenticeships a **qualification in its own right** concerned the vast majority of the SSCs. Many were not convinced of the added value of this. Most notably, there was great concern about where this would leave the Completion Certificate. The Certificate, and management of it, is very important to the SSCs. By providing final confirmation that an apprentice has completed the framework in full and is competent to undertake a given job role, the Certificate serves as a valuable quality assurance mechanism.

Factors impacting on the work of SSCs

In addition to the concerns of employers, there are also issues that the SSCs experience which impact on the design, monitoring and development of the frameworks.

These include: poor data intelligence; inadequate relationships particularly with learners, and providers; poor delivery of provision; lack of awareness and understanding of apprenticeship provision (amongst parents, schools and colleges as well as employers); and lack of ability to promote sector products and branding.

- The range of data on apprenticeship provision is limited and, in Scotland and Wales, not publicly available. This problem is particularly marked with regard to information on apprentices, which currently is not made available for what appears to be data protection reasons. Many SSCs noted their frustration at their inability to be involved in data-sharing of records held on learners/apprentices. Data-sharing should negate the need to register apprenticeships which some SSCs are considering simply to increase their very limited knowledge on those undertaking apprenticeships within their sectors.

- The SSCs are concerned about the poor delivery by providers that comes to their attention. This is supported in England by the 2002 ALI report, which showed provision was inadequate at around three-fifths of work based learning providers. They are very aware of good provision and the work of CoVEs for example, and to this end action to promulgate best practice by providers within their sectors is an activity the SSCs wish to consider.

- On the whole, most of the SSCs felt that sector-specific campaigns would be a useful addition to national campaigns. The overarching national programme could be maintained while the sectors could brand to meet employer needs and expectations and maintain those brands over the years to build on and increase loyalty and recognition.

Best practice and preferences for future frameworks

At present, SSCs have to use the national framework as their starting point when designing provision, and try to adapt the framework to suit employer needs. In contrast to this, SSCs want to be able to **focus on employers' needs** and base provision first and foremost around these industry requirements.

A number of examples are provided that demonstrate the SSCs desire to be able to respond more effectively to their employers.

These include: the Council for Administration's framework 'enhancements', which allow employers to include their induction procedures as part of the apprenticeship, and Energy & Utility Skills' embedding of the CORGI 'licence to practice' in their framework. These specific examples are coupled with more general efforts on the part of SSCs - eg, e-skills' support and guidance for providers, and Automotive Skills' provider networks. Outside current provision, a number of SSCs are also working with the QCA to improve the flexibility of qualifications.

Others, such as SEMTA are developing alternative apprenticeship frameworks such as a "Higher Modern Apprenticeship Framework" in Wales and a "Foundation Degree Apprenticeship" in an attempt to cater for workforce requirements of their employers that the current Apprenticeships do not do.

Recommendations for change

However, this is not felt to go far enough if significant improvements are to be seen in take-up and achievement. Ultimately, SSCs feel that they need to have the independence to say what is required in their sector and would like to see broad guidelines on quality principles around which they have the flexibility and choice to tailor programmes to their sector's needs.

The specific recommendations of the report in this respect are listed below.

With regard to **policy on design and development:**

- greater involvement for SSCs in the overall policy-making process to include a policy on funding priorities matching demographics of each sector[5]

- streamlining of this process; and

- more effective links between the main partners (eg, SSDA, SSC, LSC).

In terms of the **framework components** :

- allowing the replacement of NVQs with other vocational qualifications or with a combination of units based on occupational standards;

- flexibility on the level of the NVQ or vocational qualification used;

- choice of whether to include a Technical Certificate or not, and the option to replace it with a broader based vocational programme/qualification, if more appropriate;

- embedding functional key skills[6] assessment in the NVQ/vocational qualification and a cessation of the external testing;

- greater uniformity across the UK, not least to ease employers' confusion;

- continuing to regard the Apprenticeship as an overall "scheme" or "programme" rather than a qualification in its own right.

In terms of the wider work of the **SSCs**:

- greater data-sharing of intelligence acquired on apprenticeships most notably on the apprentice/learner and ensure this is UK wide

- help with the introduction or improvement of learner and employer feedback systems;

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[5] It is recognised that the Sector Skills Agreements will aid this process.
[6] Employers want their employees to be numerate, literate and be able to work with others for example but feel that for young people these should have been dealt with at school but when dealing with older learners they may require help with some of these skills.

- the ability to decide upon a relationship mechanism between SSCs and providers appropriate to the different sectors which is either nationally organised or sectorally-managed ;

- to this end, SSCs would wish to enhance their relationship with inspection bodies such as ALI and their equivalents to increase data-sharing, knowledge on good practice and areas of weakness ;

- leave the Completion Certificate system as the responsibility of the SSCs in order to ensure accurate completion intelligence.

Within this target model SSCs recognise the following elements as being of the utmost urgency:

- **the removal of the rigidity associated with NVQ/SVQs and Technical Certificates;**

- **the ability for SSCs to embed Key Skills; and**

- **most importantly, the removal of the external tests for Key Skills.**

In proposing this more flexible and sector-targeted approach SSCs would ensure that it was founded on three major principles: monitor and maintain a fit-for-purpose framework; stringent quality assurance; and assessments that match the SSCs' own assessment systems and priorities.

For SSCs, if the apprenticeship system is to survive and support the programme of up-skilling the UK workforce, a more flexible structure for the design, development and implementation of this provision is essential.

1. INTRODUCTION

Since 2002 the Sector Skills Development Agency (SSDA) has been driving the sector based approach to upskilling the UK's workforce. With the majority of sectors now licensed or in development to form Sector Skills Councils (SSCs) ensuring SSC coverage of the majority of the economy, the SSDA is able to make a powerful contribution to the national adult education agenda.

The SSDA is a non-departmental public body which funds, supports and champions the new UK-wide network of SSCs.

Its role at the centre of the "Skills for Business Network" (SfBn) is extremely varied but focuses on assisting employers to bid to become SSCs, and supporting, monitoring and quality assuring the network of SSCs. The SSDA has a growing role in participation within a number of important and influential groups of which the Apprenticeships Task Force[7] and the Skills Alliance are just two such examples.

The role and purpose of a Sector Skills Council is to ensure that the sector(s) it represents has the right skills, for the right people at the right time so that the workforce will be able to meet and exceed the competitive challenges it will face.

The SSCs play a large and vital role in determining and setting vocational pathways, standards and qualifications. As well as having a deep understanding of the requirements of the sector in education and training terms the SSCs have a responsibility to ensure an effective match between the skills and training demands from employers for their employees and new entrants, with the supply of education and training.

An important part of SSCs' work is to enable and promulgate clear and transparent pathways into and through their sector. These pathways engage with the best of further and higher education for those now from 14 onwards (particularly since the introduction of the proposals from the Tomlinson Working Group on 14 to 19 Reform and the new Young Apprenticeships for 14 to 16 year olds).

Apprenticeships are a key vocational programme and are often described as the Government's Flagship Workbased Learning Programme due to their meeting many Government objectives. Apprenticeships provide real work experience with on and off the job training; support through pre-apprenticeship schemes for young people who are not yet ready or not yet able to directly enter Apprenticeships and workforce development opportunities. They are designed to engage with young people and, as announced in May 2004, will also be available for adults[8].

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[7] Formally the Modern Apprenticeships Task Force
[8] See section 2.0 for further information on the proposed Adult Apprenticeships

Apprenticeships are being linked to the 14-19 Reform and are increasingly being seen as an alternative route for young people.

" We need to see respect restored to vocational education and training, so that parents are as proud of their offspring when they embark on a well-regarded Modern Apprenticeship...as they are when they go to university."

Charles Clarke, The Spectator, April 2004

Apprenticeships[9] are now at the top of the agenda in the wake of Sir John Cassels report "The Way to Work" September 2001, the Government's Skills Strategy July 2003, and the End to End Review concluded by the Department for Education and Skills (DfES) in 2004.

This is also at a time when Apprenticeships are under the scrutiny of the Apprenticeship Task Force, the Equal Opportunities Commission[10] and the Parliamentary Education and Skills Select Committee.

Falling numbers, particularly for Advanced Apprenticeships in England, the consistently high numbers of non-completers and indications that Apprenticeships continue to fail to capture the imagination of employers, young people, their parents, teachers and careers advisors are amongst the factors prompting this increased scrutiny.

Under-achievement (in 2002/03 by approximately 5%) of the 2002 Public Sector Agreement set by HM Treasury for the DfES and which stated that by 2004, at least 28% of young people will start a Modern Apprenticeship by age 22, adds to the case that Apprenticeships are not meeting expectations.

Following on from the conclusions and recommendations from the End to End Review of April 2004 in which it states the need for greater input by employers into the design and development of Apprenticeships, it is very timely that the Sector Skills Development Agency uses its newly formed network to test opinion and develop a well informed voice in the debate.

In early May 2004, therefore, Pye Tait Limited were commissioned by the SSDA to investigate the views of all SSCs, a sample of Sector Bodies[11], key stakeholders and employer organisations. This report concludes that work.

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[9] During the life of this research the name of Modern Apprenticeships changed with the introduction of the family of Apprenticeships of which Advanced Apprenticeships (level 3) and Apprenticeships at level 2 are a part; for ease of reading, reference (unless otherwise stated) will be made to the term Apprenticeships throughout as a standard nomenclature.

[10] Known as the General Formal Investigation into the Occupational Segregation in Modern Apprenticeship by the EOC

[11] ie former NTOs with responsibilities for one or more Apprenticeship frameworks but which are either not yet moving forward to bid to be an SSC, or become part of an SSC or have chosen to remain as they are

1.1 Aim, Objectives and Methodology

1.1.1 Project Aim

The main aim of this work is to:

identify the correct stance for SfBn on Apprenticeships, after a rigorous examination of whether current delivery meets employers' needs from an SSC perspective, and make recommendations on mechanisms for customer feedback to drive continuous improvement.

1.1.2 Objectives

To meet that aim the following objectives were followed:

Strand 1:

➤ clarify employer expectations of Apprenticeship frameworks;
➤ capture statistics for Apprenticeship starts, completions and, qualifications where possible by sector;
➤ identify areas of failure or frameworks requiring improvement;
➤ identify examples of best practice for cross fertilisation;
➤ examine the integration of Key Skills within frameworks, identifying good practice and propose an SfB position;
➤ develop options and make recommendations for feedback loops and other integrating mechanisms for continuous improvement.

Strand 2 :

➤ develop criteria for what constitutes an effective Apprenticeship framework by providing examples showing fitness for purpose, adaptability and flexibility;
➤ identify blockages and areas requiring change
➤ capture ideas and aspirations for improved frameworks;
➤ identify knock-on effects of other initiatives;
➤ identify national specific issues in the devolved administrations.

1.1.3 Methodology

To meet the objectives listed above, the research was split up into three separate phases :

Phase 1

■ A Contextual Review across the nations. Desk research to establish the current position in terms of policy and performance with an insight into international apprenticeships (Section 2 and Appendix 2)

Phase 2

- Intelligence Gathering. A survey of all SSCs and a sample of sector bodies via telephone and face to face interview. Network discussions with the Learning and Skills Council (LSC), the Department for Education and Skills (DfES) and equivalent country organisations and employer organisations (see Sections 3, 4 and 5)

Phase 3

- Analysis, preparation and dissemination[12]

In total 25 SSCs and sector bodies were interviewed during June and early July 2004.

Other discussions took place with employer organisations (such as British Chambers of Commerce, Institute of Directors, Confederation of British Industry, etc) most of which pointed the authors to their own recent research on Apprenticeships, which, with the literature review of the vast body of research pertinent to this work (see Appendix 4), is embedded throughout the report.   Such information has been used to contextualise the findings from the SSCs and inform our conclusions and recommendations as appropriate.

Discussions also took place with key policy players to acquire their views on apprenticeship framework design and development and the role of the SSCs.

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[12] at an event, organised by SSDA, to which all SSCs and Sector Bodies were invited

2. CONTEXTUAL REVIEW

Traditional craft and trade apprenticeships have formed the basis for vocational competence for hundreds of years. Involving many years of service with skilled masters the best of the traditional apprenticeships were so highly regarded that parents were willing, where they could afford it, to pay a significant premium to the master for training their child.

Even as late as the 1960s and 70s large companies ran highly respected schemes for engineering and craft apprentices under indentures of between five and seven years.

Modern Apprenticeships were introduced by the Conservative Government in 1993. At the time they were revolutionary because they extended what had only been available in traditional sectors (eg, engineering, construction, electrical, etc) right across the economy and opened to women what had been solely open to men. Their introduction also marked a turning point towards a more vocational approach to education and towards the ongoing training necessary within the first few years following formative education.

The UK is divided into four nations each of which approaches apprenticeships in slightly different ways. Within the Appendices - Appendix 9.3 contains a table that demonstrates the differences experienced by employers when trying to obtain a UK perspective.

2.1 England

There are just short of 3m 16-19 year olds[13] and a recent annual average of over 200,000 apprentices of which around 100,000 are at the advanced level.

Apprenticeships 1995-2003 (figures for July each year)			
	Advanced Apprenticeships (former AMA)	Apprenticeships (former FMA)	Total Apprenticeships
1995	2.1	-	2.1
1996	25.1	-	25.1
1997	87.5	-	87.5
1998	109.6	8.8	118.4
1999	123.8	41.4	165.2
2000	127.3	77.7	205.0
2001	115.0	87.0	202.0
2002	102.7	106.1	208.8
2003	98.3	115.8	214.1

Source: Education & Training Statistics for the UK, ONS, 2003

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[13] Annual Abstract of Statistics, 2004

It is important to note that this table hides significant fluctuations, particularly declining figures for some sectors.

In recent years the numbers of Advanced Apprenticeships (the former AMA) in England have declined year on year in line with declining starts (figures for July each year). Starts on Apprenticeships at level 2 (former FMA) have continued to grow.

Apprenticeship Numbers by Type - 1995-2003
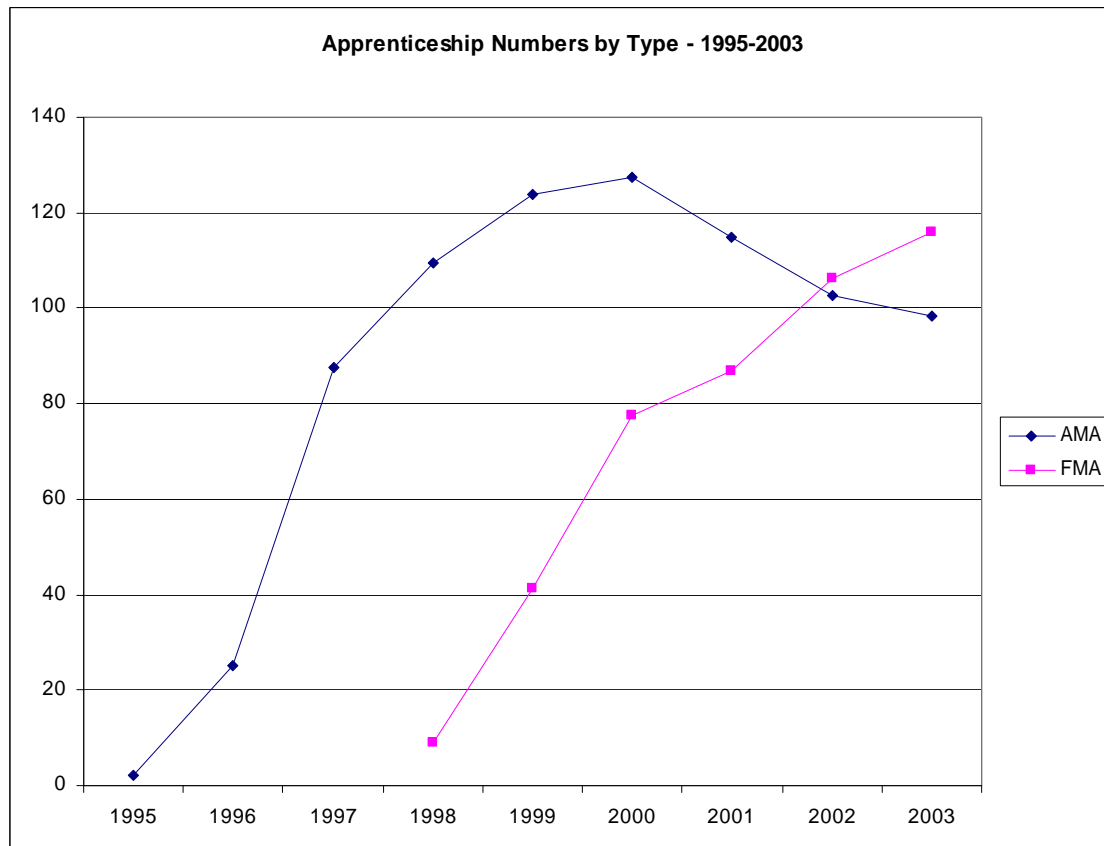
Starts(000)		AMA	FMA
	2000	76.8	88.3
	2001	72.4	104.1
	2002	54.0	108.3
	2003	47.3	115.7

Source: Education& Training Statistics for the UK, ONS, 2003

It is possible that the increase in FMA starts may be due to the decrease in funding for 'Other Training' which was removed around 2000/2001. Evidence from SSCs is that trainees have been channelled into the FMA as an alternative to just undertaking the NVQ. In time this may have a dampening affect on the overall totals as the FMA proves to be unsuitable and greater proportions of young people do not complete the framework as it proves to be too much.

Starts (000s)

[Bar chart showing stacked bars for FMA (light/cream) and AMA (dark/maroon) values across years 2000–2003. Y-axis ranges from 0 to 180 in increments of 20.]

Legend:
- FMA
- AMA
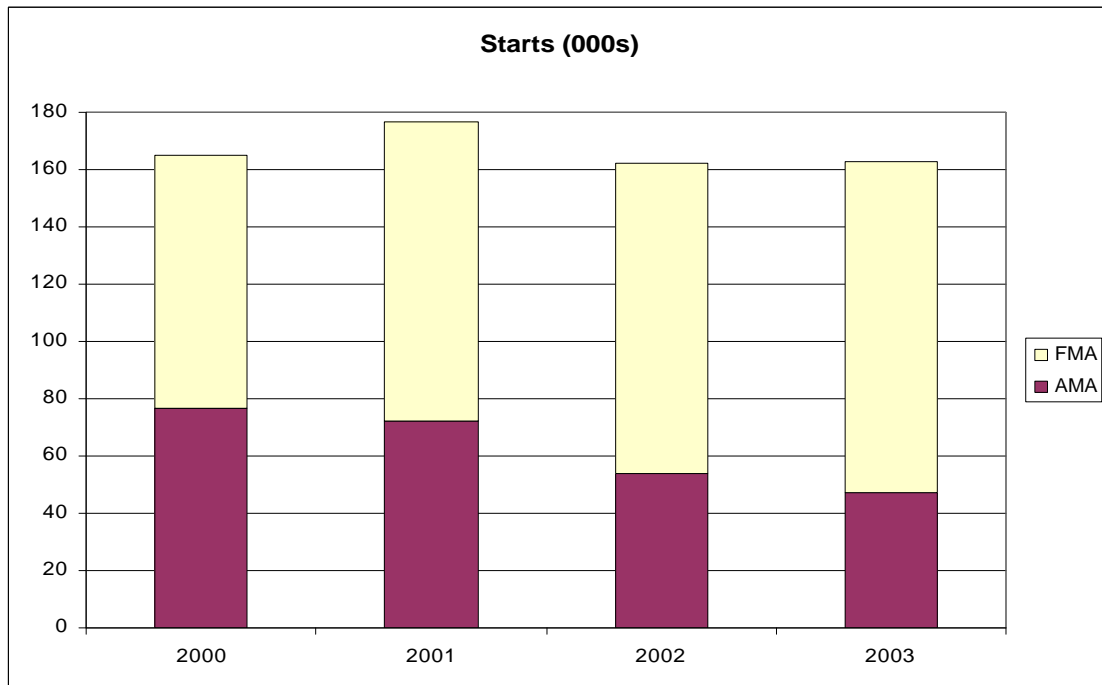
Success rates, particularly for England, are not high. For 2003/04 the overall percentage of learners completing the whole framework is 33%.

For Apprenticeships at level 2, total framework completions are 26% in 2003/04.

In the previous year those figures for overall framework completion stood at 26 % (Advanced Apprenticeship) and 22 % (Apprenticeship at level 2) respectively.

There may be any number of reasons why the rate of completions of the Apprenticeship framework has increased in England. However, one possible factor worthy of mention is the number of frameworks that were resubmitted by NTOs/SSCs with reduced requirements in terms of the key skill component[14] between September 2001 and January 2003.

A tremendous amount of research has been undertaken within the education and training sphere amongst which, particularly the more recent changes, require some explanation.

The Cassels Report

In March 2001, the "Modern Apprenticeship Advisory Committee" was appointed by the then Secretary of State for Education and Employment, David Blunkett, to advise the Learning and Skills Council on a three year action plan for the development, promotion and delivery of Modern Apprenticeships. The report recommended:

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[14] An Historical Record of the Key Skill Component in Modern Apprenticeships, J. Meyrick, 2003 p.17 &18

- A national framework for apprenticeships which defines basic standards and strengthens the relationship between the employer and apprentice.

- An entitlement to a Modern Apprenticeship place for all 16 and 17 year olds who meet the required standard.

- A £16m marketing campaign over three years to promote apprenticeships and boost take up amongst employers and young people.

- The new technical certificates will form a key component of the apprenticeship "diploma" (discussed further on)

- Renewed efforts to engage public sector employers with apprenticeships.

Cassels "Way to Work, 2001 is seen as laying much of the foundations for change in Apprenticeships in England.

One of the many results of his recommendations was the establishment of the Apprenticeship Task Force.

The Apprenticeship Task Force

Since February 2003, the Apprenticeship Task Force (ATF)[15], chaired by Sir Roy Gardner, has been working to increase the opportunities for young people to benefit from high quality Apprenticeship programmes and to identify how Apprenticeship programmes should respond to the changing needs of employers and young people.

Contemporaneously with the work of the Task Force, the DfES undertook a complete review of education and training which it named the "End to End Review".

End to End Review

The "End to End Review" (which concluded in April 2004) was commissioned by the Department for Education and Skills and was carried out jointly by LSC and DfES. Its work was steered by a group that also included: an employer; a Modern Apprentice; the Adult Learning Inspectorate (ALI); Connexions; Sector Skills Development Agency (SSDA) and providers' representatives. The group considered all aspects of the policy delivery and components that make up an Apprenticeship.

The report firstly looks at the design of the Apprenticeship - this in order to establish a national framework of standards for the delivery of Apprenticeships within the broader policies for post-16 education and training, and, increasingly, for adult skills.

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[15] Formerly the Modern Apprenticeship Task Force

> **The End to End Review notes that the most important design issue relates to the flexibility of the Apprenticeship framework and who controls the framework.**

The group found mixed views on this. There were those who placed a much greater value on system wide consistency and broader educational aspirations, arguing that there is too much flexibility and toleration of poor performance. Others had a firm belief in tailoring apprenticeships to the priorities and circumstances in each sector and a capacity to tolerate diversity within the apprenticeship system.

The review concludes that in recent years the tendency has been to limit devolution and extend central control over the detailed design of apprenticeships. Reflecting the latter position, the report advocates greater devolution of responsibility. Rather than placing responsibility with the regions or localities, however, it focuses on SSCs. This generated a key recommendation from the report:

> **"that SSCs should be given greater discretion and authority to recommend entry standards and determine the essential attributes needed for fully-skilled status within a simplified national framework"**

In terms of delivery structure, the group did not feel that significant structural change would equate to improved delivery. It did conclude, however, that there was much that could be done to positively influence the working of the current structures - primarily through improvements to the scale and capacity of the provider network. It also concluded that collaboration between the LSC and Regional Development Agencies (RDAs), SSCs and the Association of Learning Providers (ALP) could assist in establishing a more strategic and planned approach to the development of the Apprenticeship delivery network.

On communications and brand awareness the review's assessment is that the Apprenticeship has a poor brand image with both learners and employers; and that there has been little conscious sustained effort in the past to manage Apprenticeships as a high value added national brand. Such issues are being addressed in the LSC marketing campaign (see later section).

The review found that responsibilities for managing learner recruitment are spread widely through the delivery system with important roles for employers, the LSC, SSCs, providers and referral agencies such as Connexions. It also found that there is little systematic coordination of efforts.

Further, in a number of visits to local LSC areas, the End to End group expressed concern that there are rarely any arrangements to ensure

that young people who are unsuccessful in an application to an employer are followed up and offered other apprenticeship opportunities in the sector or locality. Accordingly, the report felt that:

> **"... there would be merit in a national clearing system for apprenticeship entry - that such a system would improve efficiency and effectiveness, add to the stature of apprenticeships and facilitate communications with schools and employers."**

The report noted that apprentices frequently report the difficulties they have faced, when deciding on their post-school choices, in obtaining good information and guidance on the work-based route. The report concludes that the recruitment problem does not begin at the point where young people are leaving school. Rather it originates in the arrangements for ensuring young people in Year 9 or earlier have realistic information and advice about apprenticeships.

To this end the report recommended that:

> **"... the LSC, Connexions, Ofsted and LEAs all work to ensure that all young people have access to impartial advice and guidance on all post 16 routes". It also recommended that "occupational stereotyping[16]" was challenged from Early Years onwards.**

Overall, many of those consulted for the review felt the level of apprenticeship funding was about right. The report does, however, list a number of issues remaining. These relate to discrepancies in funding between provider types and for different age groups of apprentices. The report notes that the introduction of plan based funding will deal with some of these concerns.

On targets the group recommend that indicators should be refocused to give much greater weight to the contribution made to a fully skilled workforce. This means giving greater weight to completions. In support of the Cassels recommendation that there be an eight week "probation" period before the apprenticeship was counted, the group advocates targets that cover both recruitment and retention rates. This would offer a measure of the proportion of young people becoming fully qualified against standards set by the SSC for their chosen sector, industry or occupation.

On quality, some providers would welcome a more proactive stance in organising provider networks and disseminating and sharing good practice. Although the LSC provides back-up support it expects providers to take the lead in quality improvement. One of the key

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[16] The Equal Opportunities Commission investigated occupational segregation and reported in April 2004 that Apprenticeships were not opening up enough opportunities for young women and men in non-traditional areas. Over 54% of women in a survey of 1000 people, thought the advice they were given on leaving school was influenced by their sex. Engineering in 02-03 had 6% women participating in Apprenticeships at level 2 and Construction just 1% were women.

roles of the DfES Standards Unit is to create a new framework for workforce development within the post-16 sector, including establishing a new leadership college, and professional qualifications for leaders, teachers and trainers.

Recent Policy Changes

The 'Family of Apprenticeships'

On 10 May 2004, based on the recommendations of the Apprenticeship Task Force, the Government announced the following changes:

- renaming of Apprenticeships - dropping the "modern" label and reclassifying Foundation Modern Apprenticeships as 'Apprenticeships' at level 2, and Advanced Modern Apprenticeships as 'Advanced Apprenticeships';

- the introduction of new "Youth Apprenticeships" for 14-16 year olds who will spend up to two days a week in the workplace learning a trade (initial opportunities will be in engineering, automotive industries, business administration, logistics and the creative industries);

- the introduction of a "pre-apprenticeship" scheme for those who need extra development to bring them up to entry standards, based on the Entry to Employment programme;

- scrapping of the 25 age limit and the introduction of Adult Apprenticeships, which are currently under development as pilots through some of the SSCs[17].

As illustrated below, this 'family of apprenticeships' means that progression routes can now be followed from age 14 through to Level 4:

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[17] Adult Apprenticeships are potentially aimed at two types of learners: those in employment with existing skills but without qualifications, and those unemployed learners or those facing unemployment seeking to change occupational sector

Apprenticeships Programme

LEVEL 4	**Foundation Degrees**	
LEVEL 3	**Advanced Apprenticeships**	
LEVEL 2	**Apprenticeships**	**Pre-apprenticeship (Entry to Employment)**
	GCSEs (*) **Young Apprenticeships (*)**	
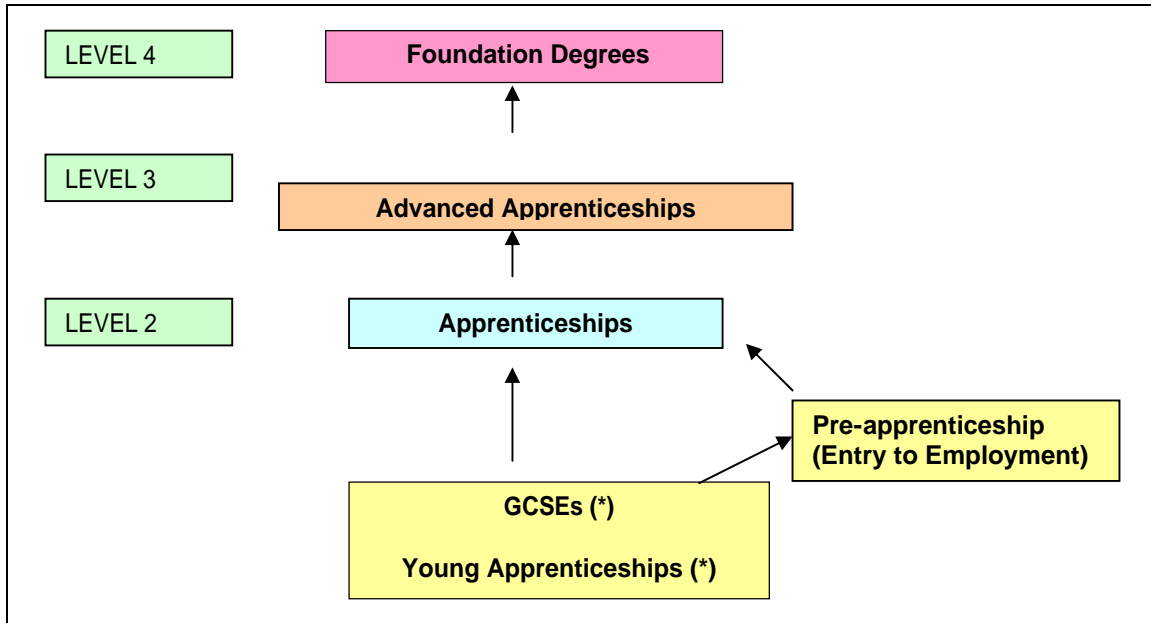
Source: DfES, 2004

Linked developments

In addition to these changes, and in line with the recommendations of the End to End Review as outlined earlier, several other developments are being taken forward by the Learning and Skills Council in England.

Apprenticeship campaign to target employers

With demand for apprenticeships from young people typically three times the level of supply from employers, the engagement of employers is high up the agenda. A national marketing campaign began in May 2004 to encourage employers to create new Apprenticeship opportunities.

The marketing campaign, run by the Learning and Skills Council, involves national television advertising, direct marketing, events, outdoor advertising and public relations. Its overall goal will be to create 28,500 new vacancies and 22,740 new apprentice starts this year. These figures should rise to 58,000 vacancies and 46,350 starts next year.[18]

Other areas for development are listed below:

- Employers are to be given a bigger role in the actual design, content and entry requirements of Apprenticeships.

- There are to be moves towards a UCAS type clearing house for matching prospective trainees to employers.

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[18] Source: LSC

- There is to be greater portability so that Apprentices can take part completed Apprenticeships with them if they move employers.

- There will be work towards the granting of an accredited status making Apprenticeships qualifications in their own right in line with the proposals of the Tomlinson review of 14-19 education.

- They will explore the development of credit-based qualifications in Apprenticeships to better meet the needs of employers.

- Financial incentives are to be reviewed to maintain the attractiveness of the Apprenticeships programme.

- Financial incentives to encourage more small and medium sized employers to get on board.

- An eight week probationary period for trainee and employer is to be introduced (as originally suggested in Cassels).

The 14 to 19 Reforms

The proposals contained within the Interim Report on 14-19 Reform published February 2004[19] (as part of the work of the Tomlinson group), suggest a new Diploma Framework at four levels.

The aim is towards building a ladder of progression and that each level of the diploma will consist of two components, core and main leaning, the latter containing mathematical, literary and ICT skills, a project, a set of Common skills and other wider activities.

It is expected, at this early stage, that apprenticeships will form a significant part of a diploma and that there are potential approaches to Apprenticeship integration; not least if the young apprenticeships are successful.

SSCs will be expected to map across the content of their apprenticeship frameworks to the potential diploma to see how and where they match or overlap. The other object will be to see where they fail to provide sufficient stretch to young people.

It is possible that the Apprenticeships will have the same core as per the other 14 - 19 projects at that level but the rest of the programme content will be up to the SSCs/employers/learners to be decided.

The move to work towards having a set of Diplomas will mean that pressure will be placed on fitting the Apprenticeships within this system.

Departmental Targets

Apprenticeships are, to a large extent, driven by targets laid down in the DfES's Public Service Agreement with the Treasury.

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[19] the final report is expected in September 2004.

PUBLIC SERVICE AGREEMENT

DFES Objective V: improve the skills of young people and adults and raise participation and quality in post-16 learning provision

- By 2004, at least 28% of young people to start a Modern Apprenticeship by age 22[20]

- By 2010, 90% of young people by age 22 will have participated in a full-time programme fitting them for entry into higher education or skilled employment.

- Challenging targets will be set for minimum performance and value for money in FE colleges and other providers by the government and the Learning and Skills Council. [This is the department's value for money target].

- By 2010, increase participation in Higher Education towards 50% of those aged 18 to 30. Also, make significant progress year on year towards fair access, and to bear down on rates of non-completion.

Source: www.treasury.gov.uk

2.2 Wales

Current provision

In Wales, the apprenticeship system has four main elements:

- **Skill Build** - the pre-entry element
- **Foundation Modern Apprenticeships** (re-branded from National Traineeships)
- **Modern Apprenticeships**
- **Modern Skills Diploma for Adults**

Details on each component are provided below.

Skill Build

Skill Build comprises provision for those who need support with skills such as reading, writing or numeracy and/or those who would like to try out a job to see if it is suitable for them. There are two options available:

- **Skill Build Preparatory Training**
- **Skill Build NVQ 1**

Between them, these options offer:

- a flexible way of training designed to suit the individual's needs;
- help with gaining confidence-boosting skills and knowledge about jobs and training opportunities;

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[20] For 2008, the PSA target will be replaced by a key "Performance Indicator" to raise the numbers completing apprenticeships by three-quarters.

- work placements;

- a training allowance of at least £45;

- training towards at least an NVQ level 1 qualification; and

- an opportunity to progress to a Foundation Modern Apprenticeship.

Skill Build is open to young people aged 16 or 17. Provision is accessed through local Careers Wales Centres, who help the individual to find relevant contacts.

More information on the two Skill Build options is provided below.

Skill Build - Preparatory Training

This option includes:

- work experience with an employer;

- appropriate training in the trainee's chosen occupation;

- job tasters;

- practical support and advice and guidance; and

- the chance to transfer to a Foundation Modern Apprenticeship or a Modern Apprenticeship.

Trainees on this programme have the opportunity to join one of the Prince's Trust Cymru Volunteers groups. Here they have the chance to:

- experience outdoor and environmental activities spread across a 12-13 week period, where activities can include canoeing, abseiling and orienteering;

- gain vital skills in the use of computers, working as part of a team and planning their own learning; and

- seek help with job-hunting skills.

There is also the Army Preparation programme. This programme offers:

- 13 weeks of activity, which include an induction week with the Army and a variety of outdoor pursuits such as hill mountaineering and potholing;

- one day a week training to prepare for a career in the Army; and

- help with gaining important skills in using computers, working with others and improving learning.

Skill Build - NVQ 1

This option allows the individual to train with an employer. Candidates receive training in the work place, which can lead to the achievement of a National Vocational Qualification (NVQ) level 1 - plus extra qualifications like Key Skills in communication, problem solving and team-working. Candidates can progress to a Foundation Modern Apprenticeship, a Modern Apprenticeship, Further Education or employment.

Foundation Modern Apprenticeships

Foundation Modern Apprenticeships (FMAs) offer:

- A wage or allowance

- A National Vocational Qualification (NVQ) level 2

- Quality training designed to meet the needs of the trainee and the employer

- A broad range of skills and experience related to the trainee's chosen career

- An opportunity to progress to a Modern Apprenticeship

Technical Certificates are likely to be incorporated into FMAs[21].

FMAs are open to young people who have the ability to gain the skills and qualifications needed to start a career in industry and business.

The entry standard, then, is not formalised but requires 'a reasonably good standard of education' (NC-ELWa website).

The programme equates to the 'Apprenticeship' in England.

FMAs in Wales are based on a learning plan that sets out each stage of the training and where the training takes place. The duration of the FMA depends upon the individual trainee's commitment and needs, and the progress they make.

Candidates may be able to move on to a Modern Apprenticeship, or broaden their education and training in other ways to further their career.

Modern Apprenticeships

Modern Apprenticeships (MAs) - equivalent to 'Advanced Apprenticeships' in England - are available for training in over 90 different types of jobs. Training is conducted in the work place and at a local college or training provider. This training will typically take three to four years to complete.

MAs offer:

- A job

- A wage

- A National Vocational Qualification (NVQ) level 3 or 4

- Quality training designed to meet the needs of the trainee and the employer

- Development of Key Skills

MAs are open to those who have left full-time education and have the ability to gain high-level skills and qualifications. Depending on the

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[21] Currently as England offers this as an option then it may remain so in Wales.

trainee's chosen career there is often an entry requirement. Usually, trainees will need to have at least four GCSEs at grade C or above (or an equivalent NVQ level 2).

Employers commit to an agreed learning plan, which sets out what is expected. Once the trainee has completed their MA they may be able to progress to further or higher education. In some cases the employer will sponsor the trainee to undertake this further training.

Modern Skills Diploma for Adults

Introduced in 2001, the Modern Skills Diploma for Adults (MSDA) is aimed at people aged 25 and over who wish to improve their skills and knowledge at NVQ level 3 and above.

The MSDA gave employers and SSCs the responsibility for designing and developing appropriate credit-based learning frameworks.

Learning frameworks are now being developed by SSCs in priority industrial sectors in Wales to meet the needs of business - this by ensuring a high quality programme in which individuals can continue in learning and progress to higher levels of qualifications and thus gaining more skills.

Public Sector Targets

In terms of Apprenticeship targets, the Welsh Assembly set a target of achieving 14,000 Modern Apprenticeships by April 2004. This target was met three months early - with 14,034 apprentices in training by the end of January, including those spending their first year in a Further Education (FE) college.

In Autumn 2002 the National Council for Education and Learning Wales (NC-ELWa) commissioned BMG to undertake an evaluation of the National Traineeship/Modern Apprenticeship programme in Wales. In broad terms, the remit of the study was to assess the operational effectiveness of National Traineeships/Modern Apprenticeships and to recommend improvements where evidence suggests that improvements may be helpful to the future performance of these programmes.

Many of the findings reflect those for England - eg, the lack of employer engagement, poor knowledge of apprenticeship options among school pupils and concerns regarding funding and particular components of the apprenticeship.

The general judgement of user companies was that the programme works quite or very well. For these users, there is no great urgency to change the programme. They would, perhaps, like to find a way to better incentivise trainees and some greater flexibility but, on balance, they do not want the key skills requirement to be watered down.

However, these 'users' comprise only a small minority of Welsh employers. Amongst the great majority of non-user employers, the programme is neither well-recognised nor understood. Either firms do

not recruit many young people or, if they do, are quite happy to recruit them without training (either already-skilled or into low skill jobs), to train them informally. Thus the obstacle to the further roll-out of NT/MA is not a widespread rejection of its mode of operation but simply that participation in a centrally-regulated and formalised apprenticeship system is not congruent with their wider business model.

Providers reported moderate rates of progression from foundation to advanced level, but also significant non-completion and difficulties in finding sufficient employers to offer placements of consistent quality.

The key issues which providers saw as needing resolution include:

- higher levels of funding, allocated in a less complex manner.
- Retreat from the intrinsic demands of key skills testing and of the new technical certificates.
- Development work to increase the flow of employers willing to offer placements and to increase the standing of the programme among young people and their parents, and in schools.

The most obvious point to emerge from the research with Year 10/11 pupils was the overwhelming grip of the 'A' Level route on their attention. Some 80% of pupils who were surveyed by BMG report this as their preferred option. The employment route (albeit mostly with the hope of associated training) was the second choice with vocational training in college or on a training programme being the main preference of only 6% of the sample.

Notably, 25% of pupils said they had not heard of Modern Apprenticeship; an even higher proportion, 81%, had not heard of National Traineeship.

The recommendations to stem from the research broadly support the *Modern Apprenticeship Improvement Action Plan*, which was approved by NC-ELWa in September 2002.

Key elements in the Action Plan are listed below. There are overlaps with the recommendations of the DfES End to End Review:

- Better assessment procedures to ensure that the right young people go into the right area of the programme.
- More consistent and clear delineation of the three parts of the programme (Skillbuild, Foundation, Modern).
- Stabilisation of the framework for FMA/AMA - key skill requirements established with reference to SSCs/NTOs (but fast-tracked for older entrants)
- Mandatory Technical Certificates.
- Prospective removal of age barriers.
- Completion at each stage recognised by a Completion Certificate (with Modern Skills Diploma for Adults being

additionally piloted at the advanced level).

- Improvement to management information systems and statistical control.

- A more positive and co-ordinated approach to branding, promotion, and marketing including: clarity of programme description; factual information to be more readily available; better linkage to known career paths within sectors.

Recent developments

- As part of its 14-19 proposals Wales is committed to developing the 'Combined Apprenticeship' for all young people. This will be the equivalent of England's 'Young Apprenticeship', though Wales will not necessary be tied to the apparent prescription of two days per week with an employer.

- From April 2004 the *All Age Skills* programme was introduced - thereby removing the requirement for separate adult apprenticeship provision.

- The 'Shared Apprenticeship Scheme' in Powys already provides a working example of a collaborative approach - where several employers come together to deliver the breadth of training required of apprenticeships. At present this scheme covers only engineering and construction.

- A 'clearing house' provision is under consideration in Wales. It is intended that such provision would also assist transfers between training providers and employers.

- Given the close links between English and Welsh apprenticeship systems Wales may have to follow England in developing apprenticeships as qualifications in their own right - introducing 'Accredited' status for those who complete their training.

- ELWa has already begun work on credit-based approaches to qualifications - as now proposed in England to better meet the needs of employers.

- As of September 2004 Wales will remove the external testing of Key Skills within Apprenticeships and only portfolio evidence will be required

2.3 Scotland

For a number of reasons which will be described below, the Apprenticeship system in Scotland has experienced a more settled development.

A 2004 report for the Scottish Executive on completion rates provides much of the current information on arrangements in Scotland (Scottish Executive Social Research, 2004).

Current provision in Scotland includes:

Skillseekers

Skillseekers is a training programme for young people aged 16-18, although in some cases, people up to the age of 25 can take part in the programme.

Trainees study for a Vocational Qualification either a Scottish Vocational Qualification (SVQ) or a National Vocational Qualification (NVQ). Typically, these trainees are learning skills at Level 2, but the level of the qualification can depend on the type of job the trainee has and the level of skill involved.

The possible introduction of Level 2 apprenticeships has been an issue in Scotland for a number of years now. The Scottish Executive, SSASCOT and SSBs are currently working together to assess demand for such apprenticeship provision. This activity takes place within a wider review of training provision at level 2 as the Scottish Executive undertakes a 're-engineering' of skillseeker provision.

The Scottish Executive committed itself within the Lifelong Learning Strategy, '*Life through learning, learning through life*', to work with the enterprise networks to re-engineer current Skillseekers provision. In order to increase the take-up of apprenticeship provision and improve progression routes through apprenticeship provision the Scottish Executive is consulting with SSBs on the possibility of replacing some Skillseekers provision with Modern Apprenticeships at level 2.

Modern Apprenticeships

The minimum age for entry to a Modern Apprenticeship is 16 years. There is no upper age restriction but, under the UK-wide government training guarantee, funding is prioritised for the 16-17 age group.

Modern Apprenticeships in Scotland incorporate the following components:

- … SVQ at level 3
- … Core Skills (five)
- … Optional Technical Certificate
- … Optional additional qualifications

Training will involve a balanced programme of activity, including on-the-job and where appropriate, off-the-job training.

The SVQ is accredited by the SQA Accreditation Unit and SVQ providers are approved by the relevant Awarding Body.

All core skills in Scotland are mandatory (Numeracy, Communication, Information Technology, Problem Solving and Working with Others). These core skills must be achieved at a minimum of Intermediate 1

(SCQF 4).[22]

There is the option to embed core skills (and their assessment) within the mandatory units of the SVQ(s) at level 3 in the framework. This involves mapping the core skill units against the SVQ units. If the SSC or Sector Skill Body (SSB) is unable to do this separate assessment and certification of each core skill will be required.

It is assumed that the knowledge covered by Technical Certificates can be found within the qualifications already included within MA frameworks. However, the framework allows the inclusion of Scottish equivalents to Technical Certificates where they add value to the MA frameworks and can be quality assured in Scotland (eg, where Technical Certificates would respond to employer demand or enable easier progression for the apprentice into higher learning).

Finally, there is the flexibility to include other sector-specific qualifications that are considered necessary to ensure that training meets the standards required by the sector.

A number of agencies and stakeholders have had key roles in the development, design and delivery of Modern Apprenticeships in Scotland. These include:

- the SSBs which are responsible for the design of the frameworks, following consultation with employers;

- the Modern Apprenticeship Implementation Group (MAIG), which is responsible for the approval of the frameworks;

- Scottish Enterprise Network and Highlands and Islands Enterprise which are responsible for funding and administration; and

- training providers, who have a key role in the delivery of the programme.

- employers through the SSBs

Figures from the Scottish Enterprise Network and Highlands and Islands Enterprise, indicate that at the end of March 2003 there were over **25,000**[23] modern apprentices in training in the Scottish Enterprise Network and over **1,500** in the Highlands and Islands Enterprise Network. There are in the region of **80** different frameworks available.

In the Scottish Enterprise Network area, there was major growth in uptake of MAs between the years 2000-01 and 2001-02, from 9,392 to 16,406 starts (a 74% increase), with a consolidation in the number of new starts since. In the Highlands and Islands Enterprise area, the period of significant growth was between 2001-02 and 2002-03, from 642 to 1685 starts (a 162% increase).

Completion rates in Scottish Enterprise Network over this period

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[22] Where an SSC or sector skills body deems that a lower level is appropriate (Access 3, SCQF3), it is required to justify its case to the Modern Apprenticeship Implementation Group (MAIG).
[23] During 2000-01, there were around 17,000 Modern Apprentices in place in Scotland and 23,000 non-Modern Apprenticeship Skillseekers according to the previous study carried out by SQW in 2001.

remained relatively stable despite the large increase in starts. In 2000-2001 48% of apprentices completed. There was a small rise to 51% in 2001-02, followed by a return to 48% in 2002-03. This is now back up to 51 per cent for 2003-04.

Leavers in 6 frameworks, and percentage of these leavers that were completers, in Scottish Enterprise Network in financial years ending March 2001, March 2002 and March 2003

	2000 - 2001		2001 - 2002		2002 - 2003	
	No.	Complete %	No.	Complete %	No.	Complete %
Business administration	799	49	1028	62	1249	57
Construction	945	49	1163	62	1116	47
Customer service	1053	61	1348	46	2376	58
Hospitality	531	10	754	19	1231	23
Motor vehicles	682	44	789	38	875	39
Retail distribution	242	16	309	24	291	31

Source: Scottish Enterprise Network as cited in the Improving Completion Rates Report, 2004

Selected MA Completions - Scotland 2002-03 (%)
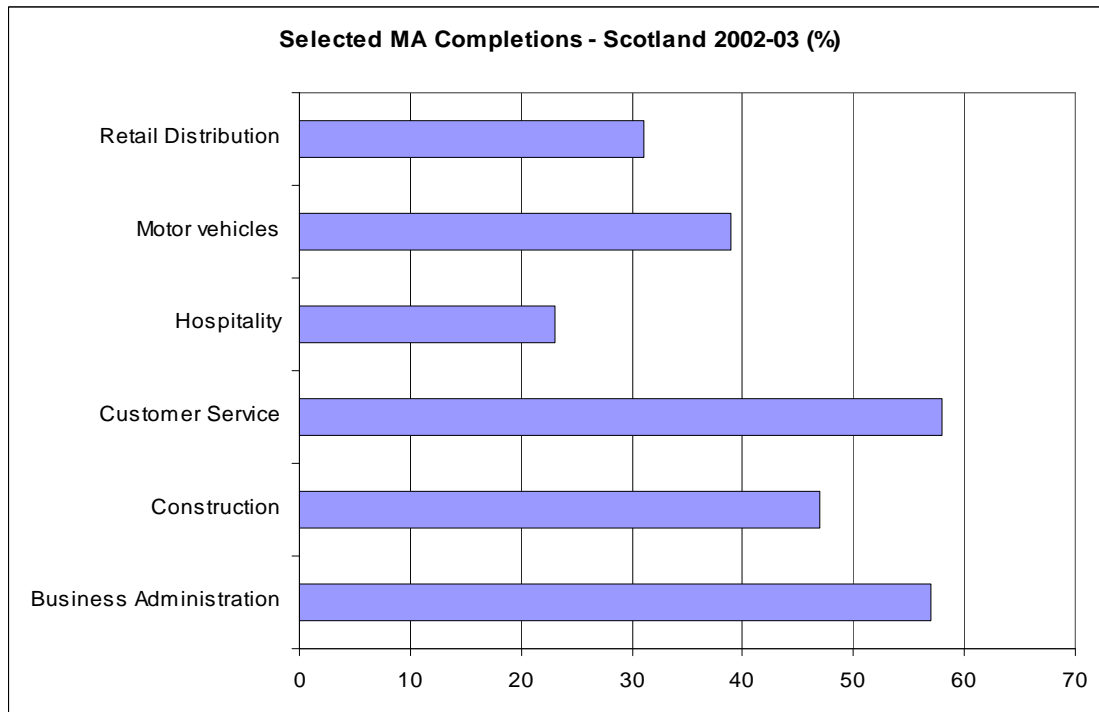
Comparison of completion rates between programmes indicate the complexity of the pattern across the Apprenticeship programme. The researchers for the Scottish report (2004) conclude that these figures indicate, despite a difference in history of apprenticeship and training between 'traditional' and 'non-traditional' frameworks, that there is no evidence in the data that this is producing major differences in completion. Construction, Customer Services, Business Administration, Motor Vehicles, Engineering, Electrotechnical and Hospitality remain the best used frameworks.

In both Scottish Enterprise Network and Highlands and Islands Enterprise areas traditional gender recruitment patterns in sectors such as construction and motor vehicles are maintained. In these sectors not only are females unlikely to register for an MA, but the non-completion rate is greater than for males. This pattern is repeated across the other frameworks such as business administration where there is a very high percentage of females.

Recommendations for Improvement in Scotland

The 2004 report makes a number of recommendations designed to inform the development of policy and practice for Modern Apprenticeships. Many of these will be familiar to stakeholders in England - covering, for example, the need for greater employer engagement, the role for SSBs in providing consultation opportunities and guidelines on provision and the need for improved Information, Advice & Guidance services.

Firstly, the report notes the key role that employers have in ensuring successful completion of apprenticeships and, accordingly,

recommends:

> **"... that employers be involved more fully in apprenticeship provision"**

SSBs are seen as a key stakeholder in terms of ensuring that employers understand the value of apprenticeship provision, that it meets their needs, and to help ensure that they have more effective training infrastructures in place.

In turn, clearer guidelines are recommended for training providers - regarding the type of training required for each MA and what is expected of training providers with respect to training as well as assessment. It is hoped that this will increase providers' role in provision in contrast to their current focus on assessment.

The report notes that steps are required to ensure that young people are only recruited onto the MA programme when this is appropriate for them and their employer.

It is recommended that SSBs consult with employers and training providers about the nature and extent of training required within each MA, and how this should be provided. This should be reported within the MA framework document. The Modern Apprenticeship Implementation Group (MAIG) is urged to assist SSBs with this work by providing guidelines on the nature and extent of training to be provided within MAs.

In turn, it is recommended that SSBs, in co-operation with employers, undertake reviews designed to specify more clearly the framework requirements regarding recruitment and induction and training. They should also identify and address: the work which trainees undertake, and for which they are being trained; the appropriateness of progression routes within the frameworks (eg from level 2 to level 3); and progression routes to other qualifications (eg HNC/D or degrees where appropriate).

The report advocates that the Enterprise Network establish more effective arrangements and guidelines for data gathering to ensure that the data on progression through MAs are as full as possible.

Finally, the report recommends that Careers Scotland staff develop their links with staff within the Local Enterprise Companies to ensure that they are fully informed regarding MA opportunities in their area, and to consider how can they can most effectively help inform young people, families and schools of the opportunities associated with MAs.

Careers Scotland should also be encouraged to work with training providers in assisting young people who wish to move out of an MA programme on to a suitable alternative.

Targets for Apprenticeships in Scotland

In Scotland, in the *Programme for Government*, a target was set to have 20,000 apprentices in training by 2003. This was achieved one year early. *Building a Better Scotland* committed stakeholders to achieving 25,000 apprentices by 2006, and the Partnership Agreement increased this target to 30,000.

2.4 Northern Ireland

Modern Apprenticeships were introduced in Northern Ireland (NI) in July 1996, initially on a pilot basis. The pilots proved successful and there was commitment to the further development and application of Modern Apprenticeships throughout the province, in particular the concept of direct employer involvement in the delivery of training based on the principles of cost sharing between employers, young people and government.

Modern Apprenticeships are now an integral part of the Department for Employment and Learning's Jobskills programme and have steadily increased in popularity with both young people and employers during recent years. Intake into training has almost doubled over the past two years. Around **6,500** young people in Northern Ireland, ranging in experience from first year to fourth year, are currently following a Modern Apprenticeship and over **2,000** local employers are participating in the programme.

The Jobskills programme provides work based training for young people. Although initially available to all age groups, on the introduction of New Deal in April 1998 the programme was focused towards young people. The programme provides the guarantee of a training place to all 16 or 17 year olds who want one.

The overall aim of the Jobskills Programme is to: assist young people and the unemployed to find jobs through quality training which is relevant to the needs of the employer; and to secure greater participation by employers in training labour market entrants and the unemployed.

Jobskills is split into three components:

- Access

- Traineeships and

- Modern Apprenticeships

Access level is targeted at young people with disability or motivational difficulty and involves the completion of NVQ level 1 or equivalence, (around GCSE below grade C). Access participants spend approximately 1 to 2 days a week with an employer, the rest of their time is spent in direct training with the Training Organisation. Around 16% of Jobskills participants are currently training at access level

Traineeships train participants to NVQ level 2 (equivalent to 5 or more GCSEs A-C). Some 42% of Jobskills participants are completing this level at present.

The **Modern Apprenticeship** is an employment-based initiative delivering NVQ level 3, equivalent to two or more A Levels. Trainees and Modern Apprentices spend between 3 and 4 days a week in training. About 42% of participants are currently completing a Modern Apprenticeship (DENI).

Jobskills NVQ achievement rates compare favourably with similar programmes in the rest of the UK, and with achievement rates for the programme's predecessors. However, NVQ achievement rates have been falling on the Jobskills programme since 1999. The main cause of this reduction in achievement rates is said to be the introduction of Key Skills to the programme and Key Skills tests at national level.

Within the system in the rest of the UK there is greater emphasis on participants having employee status, making comparisons between the schemes difficult. In Northern Ireland the proportion of Jobskills participants with employed status is relatively low at 44%.

Foras Aiseanna Saothair (FAS), the Republic of Ireland's Training and Employment Agency runs an apprenticeship scheme. This scheme concentrates on the more traditional sectors and is not comparable to any component of the Jobskills programme.

A brief timeline of change in apprenticeship framework design and implementation

It is evident that both prior to and since the Cassels Report, published in September 2001, Apprenticeships, in particular those for England and Wales, have come under increasing scrutiny and change. Much research has been undertaken to examine :

- … how to move vocational education into the mainstream,
- … the true impact of Apprenticeships, and hence
- … how to improve the (Modern) Apprenticeship system.

Small and not so small changes have been instituted, particularly to the content and requirements of Apprenticeships in England and Wales since their creation as Modern Apprenticeships in 1993/94, including :

1997   The introduction of National Traineeships (NVQ at level 2) for England and Wales in September 1997 (available as Skillseekers in Scotland only) to aid progression and "for those not yet ready to enter a level 3 programme". Application of Number, Information Technology and Communication Key Skills are mandatory within MAs and NTrs but levelling was left to NTOs.

1997/1998 onwards   Replacement of Industry Training Organisations (ITOs) and Lead Bodies by organisations bidding to become National Training Organisations (NTOs). Last few NTOs appointed in early 2000.

	Completion Certificates introduced to be implemented by the former NTOs as they wish.
2000	DfEE consultation document regarding an Apprenticeship Technical Certificate (see Note 1)
2001	DfEE consultation response detailed a raft of fundamental changes to Modern Apprenticeships (see Note 1)
	Other changes were instituted once the LSC took over the funding and delivery in England from the Further Education and Funding Council (FEFC) and the TECs including nationally agreed payments.
	On April 1st 2001, ElWa took over the majority of the functions of the four Training and Enterprise Councils and the Further Education Funding Council for Wales. It assumed responsibility for funding, planning and promoting all post-16 education and training in Wales with the exception of Higher Education.
	Many changes were recommended around delivery of Apprenticeships, by Sir John Cassels, chair of the Modern Apprenticeship Advisory Committee responsible for "The Way to Work" in 2001.
	The LSC required that all NTOs/SSCs issued Completion Certificates.
2001/02 onward	The new sector network, announced by the DfES to replace the NTOs in January 2001, has a number of increased and enhanced responsibilities - one of which is to improve the learning supply including the development of apprenticeships, higher education and of national occupational standards. The first five trailblazer Sector Skills Councils (SSCs) were announced in November 2001, the rest followed from 2002 onwards.
2003	Apprenticeships were a key element of the Skills Strategy described in the White Paper "21st Century Skills: Realising Our Potential" (July 2003) which promises to reform the qualification framework so that it is more flexible and responsive to both the needs of employers and learners (see Note 2).
2004	May 10th changes announced, including the new family of apprenticeships, the removal of the term "Modern" from "Modern Apprenticeships" and the removal of the age limit. SSCs and the sector bodies organisations are either newly formed or are still morphing into different organisations.
2004	End to End Review report contains timeline extending to the end of the decade containing 22 blocks of change having an impact on apprenticeships.
	Employers often request of their SSCs for some stability and consistency in Government changes in policies, and it is not hard to understand why.

NOTES ON CHANGES

NOTE 1 These changes below were based on recommendations from the National Skills Task Force (second report in 1999)[24] regarding a system of improved MAs, from which the consultation documentation and response were produced by DfEE[25] for England and Wales, in 2001.

- o a change of name from National Traineeships to Foundation Apprenticeships at level 2 below Advanced Modern Apprenticeships at level 3

- o changes to mandatory requirements for key skills (communication and application of number become minimum mandatory requirements in all advanced modern apprenticeships at level 3 and at Foundation Modern Apprenticeships at level 2)

- o the introduction of the technical certificate, a taught qualification delivered in the main off the job, and which provides the underpinning knowledge of the NVQ at level 3 and part of the advanced apprenticeships (not introduced in Scotland)

- o an Apprenticeship Diploma was also discussed and this is still in debate - Wales introduced the Modern Skills Diploma for Adults designed around a credit based learning frameworks.

NOTE 2 In the White Paper it was admitted that "our percentage of the workforce qualified to intermediate skill levels (apprenticeship, skilled craft and technician level) is low: 28 per cent in the UK compared with 51 per cent in France and 65 per cent in Germany".

The Strategy also announced a commitment to remove the upper age limit for apprenticeship entry; to support reliable and flexible delivery and assessment of key skills; and to increase engagement with employers to boost the supply of apprenticeship opportunities. It also introduced the concept of adult apprenticeships as well as unitisation for learning and a credit framework to "package the (employers') training programmes if they want to build up a record of achievement over time towards qualifications".

In Wales upper age restrictions were already removed and in April 2004 the All Age Skills Programme was introduced with no requirement for a separate Adult Apprenticeship.

It also introduced the concept of adult apprenticeships as well as unitisation for learning and a credit framework to "package the (employers') training programmes they want to build up a record of achievement over time towards qualifications".

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[24] The National Skills Task Force
[25] The former DfES; in addition there was the introduction of new vocational GCSEs and Foundation Degrees

3. HOW ARE FRAMEWORKS PUT TOGETHER ?

" ... towards a simpler national framework giving Sector Skills Councils much greater authority and responsibility for design"

End to End Review, April 2004

The identification and selection of components for inclusion in an Apprenticeship framework is the responsibility of the Sector Skills Councils.

This responsibility has always been with the SSCs and their predecessors, the former NTOs. Frameworks for England, Wales and Northern Ireland are approved by the Apprenticeship Approvals Group (AAG) which replaced Mantra in England, and the Modern Apprenticeship Implementation Group (MAIG) in Scotland.

This section starts with how SSCs perceive their role in relation to the engagement of employers with the design and/or review of the apprenticeship framework. SSCs views on their employer expectations follow in section 3.2.

3.1 SSC role and viewpoint

The SSCs see their role in Apprenticeships as bridging the gap between employers on one side and Government on the other.

This role was variously described as:

- o **"a conduit role",**

- o **"helping employers to understand the changes and fighting on their behalf with the LSC (in England)';**

- o **'trying to fit training to what the government wants'**

and

- o **'stopping the employers from walking away'.**

Some SSCs take the view that their role is, in reality, even greater, as they are tasked with promoting the whole concept of apprenticeships to employers. So, despite, in some sectors, there being no clear business case for apprenticeships, the SSCs feel it incumbent upon them to sell and create the need[26]. They explain it feels that the goalposts are constantly being moved.

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[26] a standpoint that may be coming under increasing scrutiny in Scotland where perhaps a quarter of frameworks have no apprentices registered on them at all.

Employer engagement

Most sector bodies either have continuous dialogue with their employers or conduct regular research to gain that dialogue. Several SSCs carry out employer (postal or on-line) surveys, with others mentioning use of research tools such as inserting a feedback questionnaire into newsletters or using focus groups to drill down into real world issues.

The requirements upon the newly formed SSCs to engage with employers more widely and, perhaps, more proactively than did the former NTO network, is readily accepted by the SSCs.

The majority of SSCs already have or are planning to have standing employer groups, seen as advisory panels or similar, and which fit to the different sub-sectors represented within the SSC. These consist mainly of employers and include union and professional body representatives as required. UK-wide Employer Learning Networks and the introduction of regional/country based business development managers as staff within the SSCs add to that greater involvement and dialogue with employers.

Inextricably linked to the design and development process is the consideration of whether apprenticeships are "fit for purpose". The conclusion of every SSC is that the current frameworks are definitely not fit for purpose (covered at greater length in Section 4).

It could be argued that the central cause of frameworks not being fit for purpose might be that employers are simply not sufficiently "engaged" with the initiative. On the surface, this argument is potentially persuasive - if employers were more fully engaged with this process then the outcomes would be more acceptable and produce greater success towards targets.

This argument, however, focuses on the "marketing" aspect of the product and ignores the fitness of the product itself. A common SSC response is that the necessary degrees of flexibility and employer-centred design have simply not been available in the first instance. This, they argue is one of the most important reasons for employers avoiding or ignoring the apprenticeship system.

Notwithstanding this, however, most SSCs call for improved communication and clarity through the apprenticeship process and its supply chain. The End to End review indicated as many as 13 different steps in the chain supplying apprenticeships to employers and employees.

A further factor in the engagement and take-up debate may well be the fact that the roles and responsibilities (in England) of key organisations and partners are unclear and, in some areas, over-lapping. The LSC, its local arms, QCA, DfES, the SSCs, Awarding Bodies and, of course, numerous providers are all involved in the process at some stage. Appendix 9.3 again shows the sheer variety faced by SSCs and employers across the countries of the UK.

3.2 SSCs and Employers

The involvement of the employer in the design and development of the framework is vital to the Apprenticeship development. [The involvement of providers and apprentices are discussed further on]. Apprenticeships are premised upon, and promoted as, being "employer-led"[27].

As a result employer engagement is a necessary part of the design process and this process has to be clearly demonstrated and evidenced to form a successful submission process. This applies equally across the UK.

Since the introduction of apprenticeships in 1993/94 the requirement has always been there to involve employers, and in the main this saw the setting up of a working group involving employers to discuss the framework contents.

All SSCs have developed or revised their frameworks through consultation with their industries. Most have set up steering groups to oversee the development. Some have held conferences and carried out surveys.   All see strength in having close links with employers throughout the process.

This role has, however, changed over the years.   Initially, it was almost a blank piece of paper in terms of the framework. Within limits, employers and their sector bodies were able to design a framework that suited their needs fairly exactly.

As long as the sector-specific NVQ or SVQ was an outcome at the right level, as appropriate, the framework could be designed to meet specific sector and sub-sector requirements. Some sectors took the opportunity to include other qualifications that they perceived as being important in terms of the underpinning knowledge; others included certificates that were required in order to practise the role in that sector (eg Fork Lift driving, or a Chain Saw certificate, etc).

> **"Employers were involved in designing these programmes from the outset and therefore felt ownership. As a consequence, the number of apprenticeship opportunities offered by employers rose rapidly".**
>
> SSC[28]

It was recognised that the additions may not always be included within the funding for that framework, but, they were deemed important enough to warrant discussion and possible inclusion in the framework.

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[27] This in contrast to **programme-led apprenticeships** which are newly introduced in England in 2004
[28] the comments were made during a confidential interview and are kept anonymous

Subsequently, however, there has been a gradual shift towards a much narrower set of requirements on framework contents.

SSC's perception of the extent of this shift has been shaped to some degree by the introduction, in 2001, of a template for the Councils to use when designing their framework. The template provides a standardised form of wording into which the SSC adds in text appropriate to its framework and sector. While this is just a mechanism to ensure consistency of information to help providers and approvals board (AAG), it has been interpreted by some SSCs as being the vehicle for causing the inflexibility of the current system.

Nevertheless, it is recognised by the SSCs that the template may enable a more efficient submission process for the AAG/MAIG, but, some commented, at the expense of the very flexibility that made apprenticeships succeed when they were first introduced[29].

According to the majority of the SSCs, employers feel there is now too little flexibility in the design process. Some sector's employers are now totally apathetic, this due to their call for greater flexibility being "continually ignored". The issue of flexibility is discussed in section 5.

The SSCs would like, above all else, to be able to ascertain the requirements by employers for Apprenticeships at all levels towards increasing the skills of the workforce, and work out how they can be met.

> **"This then is being employer-led and not Government led"**
>
> An SSC

Apprenticeships require conformity to a number of components; so, for example, there are four components in England for Advanced Apprenticeships (level 3) or Modern Apprenticeships in Wales, but effectively just two in Scotland. Therefore, on the surface it would seem employers are being asked simply to decide upon :

… the **level** of key or core skill to be used within the framework[30]

… **which of the six key skills** to include (all five core skills have to be included for Scotland)

… which **S/NVQ** or **S/NVQs** and which **Technical Certificate(s)** (the latter in England and Wales only)

… what should form and where to embed the **Employment**

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[29] Interestingly, MAIG in Scotland may be considering increasing the information required in their template to boost the rationale for a framework's existence.
[30] although there are minimums for two of the mandatory key skills

Rights and Responsibilities (in England and Wales only)

Clearly, there are other decisions to be made, too, but in the interests of not overburdening employers with excessive detail which many employers feel are "not their bag", in essence these are perceived to be the only areas for discussion.

However, this apparently simple task can be fraught with difficulties as one sector found when it asked providers and employers to feed into their review of the framework.

This sector asked both employers and training providers about key skills for Communications and Application of Number and whether Level 2 was appropriate for Advanced Apprentices for the industry; the difference in response regarding the application of number key skill was very marked:

Percentages agreeing that a given level of key skill was appropriate to the sector's needs

Key Skill	Employers	Training Providers
Communication	83	76
Application of Number	55	15

3.3 SSCs and Learners/Apprentices

The lack of detailed knowledge about learners/apprentices is a weakness that most SSCs acknowledge and are frustrated by. They are aware that, unless resources have been such that more sophisticated means have been possible, the main form of contact with the learners and apprentices is third hand - almost invariably via the provider. Some secondary data are available within inspection reports, examples of which include from the Adult Learning Inspectorate[31].

Whilst all SSCs have a role as a standard setting body, some also have associated organisations[32] that are the, or one of the, sector's awarding bodies. These organisations may also act as a managing agency ie registering and administering Apprentices.

It was acknowledged by some SSCs that those sector bodies that register apprentices are better able to monitor framework take-up and completion rates.

At the moment registration is a grey area. SSCs explain that, in the absence of reliable and prompt data available from, for example, the LSC, registrations would offer the only practical method for monitoring apprenticeships and their components.

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[31] The Adult Learning Inspectorate is a government funded body responsible for raising the standards of education and training for young people and adults in England, by inspecting and reporting on the quality of learning provision they receive
[32] it must be stressed that an SSC and a sector-specific awarding body are distinctly different organisations with separate staffing, funding and reporting structures

The interest of (some) SSCs with the registration of apprentices can, then, be at least partly seen as an attempt to gain more intelligence and information on learners. The work involved in registering apprentices, of course, has significant cost and resource implications for SSCs. If better use of existing systems for collecting data and a greater element of data-sharing were introduced (eg, in England through the LSC's Individual Learner Record system), the need for an expensive registration system may no longer be required[33].

Knowledge of which providers offer a particular apprenticeship would form another immediate benefit. Not all SSCs can claim to know exactly which providers offer their framework. In many instances, that is not known until the providers request the completion certificate.

At the present time there seems to be two schools of thought on apprenticeship registration. The first believes that it would form a significant benefit for the system in providing accurate and up-to-date information. The second is opposed to the concept mainly on the grounds of cost and the effects of charging for registration on the uptake.

Some SSCs see the English ALI inspections as a missed opportunity to gain better intelligence about learners. For example, they could indicate which aspects of provision learners find most difficult.

> **"Inspections are expensive and intrusive, and should at least generate this kind of intelligence. Instead, reports are bland and generic and insufficiently detailed. They don't inform the sector, let alone the sub-sectors"**
>
> An SSC

The key question in the Common Inspection Framework, utilised by ALI, is "How well do learners achieve?" and the findings can reveal some reasons contributing to why learners' leave early.

Examples of such findings range from:

"Learners' feedback is used extensively to improve the quality of training" (inspection report)

Or, conversely,

"Learning is poorly planned, and learners' individual learning plans lack detail" (inspection report)

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[33] it is anticipated that providers would pass on any additional costs to the learner

There is plenty research in the UK based on interviews with a sample of learners/apprentices - mainly aimed at discovering their learning experiences in the workplace [Fuller and Unwin, Learning as apprentices: creating and managing expansive learning environments', 2003] and Reasons for Leaving [IFF Research, 2000] are just two examples of these reports (see Reference section in Appendix 9.7).

A fundamental part of the provider role, monitored by quality inspection bodies such as the Adult Learning Inspectorate which operates within England, involves apprentice feedback. Research reports such as for example "Boosting Your retention Rates" (Sadler & Smith, LSDA, 2004) suggest that the first three months are critical to retaining the apprentice on the programme.

SEMTA has established a dedicated feedback website called "apprentice-feedback.com" for engineering trainees that requires log-on prior to feedback. This appears to have been successful and has been reviewed in a recent report "Listening to the Workbased Learner" (Berkeley, 2004). The report revealed that 1,128 UK-wide apprentices took part in the pilot and that a great deal of valuable information was obtained.

Such an option can be expensive. Emulating this practice but with inexpensive feedback sections on SSC websites to allow apprentices and providers to log-on and provide feedback would appear to be necessary for SSCs. [34]

At the other end of the methodological scale, a detailed apprentice "early-leaver" research study[35] carried out for SECTT a Scottish non-profit making organisation concerned only with training for apprenticeships, involved direct contact and interviews with both current apprentices and those that had left the scheme. Such work is relatively expensive compared to the website option but, used carefully and economically alongside web solutions can provide extremely valuable "depth" on the specific causes of early leaving.

In the case of this Scottish research, factors such as travel-to-work times, work-based support, learning support for the apprentices, and even parental involvement and attitudes were discussed and provided extremely useful insights.

All of the research that has been completed, to date, on early leaving and non-completion shows a fairly common picture of the main reasons:

> … getting a new job, typically for reasons of pay or better prospects

> … the difficulty of combining the training with the workload off the job

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[34] Pye Tait's success with incentivised (through prize draws etc) careers sites would seem to indicate that an incentive system would reinforce the numbers of bona-fide apprentices providing feedback.
[35] Reasons for Leaving, Pye Tait, July 2004

… the mismatch of the qualification with the job role - where the qualification is too broad or seen as irrelevant

… problems with key skills elements - especially in England - leading to drop-out from the framework and completion only of the NVQ

… reasons related to problems at work (such as being dismissed or made redundant) or personal issues (for example, 10% of women apprentices gave pregnancy as their reason for leaving early)

… often part way into the Apprenticeship the trainee becomes too useful to the employer and they are given a full-time job instead.

3.4 SSCs and Providers

The major part of the Apprenticeship implementation process occurs through training providers, a multifarious collection of organisations developed over the years in response to demands of and introductions of different Government programmes.

SSCs and providers do not have, traditionally, a well established relationship. The former NTOs were not, in the main, well resourced to engage with providers on a wholesale basis. In many cases the NTOs were only able to react to enquiries rather than do anything much more or on a proactive basis. The sheer size and variety of such organisations across the private, public and voluntary sectors makes this a considerably difficult relationship to establish.

It is recognised, however, that providers are an extremely critical link in the whole apprenticeship supply chain process and any failure here usually leads to non-completion and maybe a complete disenchantment with the experience by the apprentice and employer.

The main way in which an SSC has assisted their provider network is through the sharing of good practice in an attempt to alleviate poor practice.

A very useful and positive outcome of the "Apprentice-Feedback.com" online system, mentioned earlier, is that apprentice feedback can signpost areas of weakness which may be attributed to poor provision on which direct action can be taken.

Conversely, of course, this approach also provides an excellent means to identify exemplary delivery and can be followed up for case studies as examples of best practice to pass on to other providers.

Getting more "hands-on" with providers has not, as yet, been feasible for many of the newer-established SSCs.

These SSCs say they can not claim to know of all the providers delivering their frameworks as yet (at least not until the provider requests the completion certificates).

This means that they rely on anecdotal evidence about their providers and may only pick up on general concerns. Some of these concerns they relate, for example, surround beliefs that providers encourage prospective apprentices to follow a programme that may be a "safe bet" rather than actually encouraging them onto a more stretching programme. Others mentioned that they hear providers may not always involve the employers when delivering training programmes.

Different sectors report different successes with providers, however. One sector, that has one of the highest take-up of apprenticeships in both England and Scotland, reports that the private training providers deliver best practice.

This same SSC takes particular pride in its provider network that it has facilitated. The network provides for direct and immediate feedback and communications on both areas for concern and areas of good practice. The sharing of exemplary practice for dealing with key skills and the newer Technical Certificates are such examples.

Most SSCs report close liaison and regular feedback from some or all of the providers delivering their frameworks. Several SSCs have very good links with the CoVE network[36] and others mentioned having both providers and employers on their various Advisory Groups.

It is evident that this is a role that more SSCs wish to develop to gain better information and enhance their relationships, resources permitting.

New measures and introducing some of the schemes mentioned above (such as the apprentice-feedback website opportunities) will assist with this. But also it should be noted that the SSC work on checking evidence submitted by providers before awarding the final Completion Certificate is also an excellent means of gaining insight into quality of provision. This is part of the reason that SSCs are adamant that the issuing of this Certificate remains within their control.

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[36] the End to End Review point to their being a number of CoVEs that do not offer Apprenticeships which seems at an out of kilter to Government objectives

4. ARE APPRENTICESHIPS FIT FOR PURPOSE ?

In view of the overall poor completion rates, whereby across the UK as a whole, more than half of all apprentices leave before completion, the question "are apprenticeships fit for purpose?" is highly relevant. The End to End Review carried out by the DfES within England concludes they are not.

"Sector Skills Councils (SSCs) should be given greater discretion and authority to recommend entry standards and determine the attributes needed for fully-skilled status"

End to End Review, 2004

Before reviewing the views of SSCs and the expectations of their employers it is useful to review other existing research on this theme.

4.1 Indications from existing research

Research reports identifying a number of areas where improvements would strengthen apprenticeships include Anderson & Metcalf (2003) whose research showed that 90 % of those employers already participating in Modern Apprenticeships were satisfied; but it also showed that there were more divergent views where the balance of on- and off-the job training and Key Skills were concerned.

Similarly, a report by The Institute of Directors, covering details of a survey of member companies (carried out by NOP in 2003), revealed low participation in Modern Apprenticeships and concluded that there are some significant weaknesses in the system.

> **"However, whilst there is some excellent provision, the programme currently suffers from low completion rates, variable quality and some flaws in both design and delivery".**
>
> Institute of Directors, 2004

Other research examines pertinent factors such the workplace culture and how this may impact on the learners experience as an apprentice (Fuller and Unwin, "Learning as apprentices: creating and managing expansive learning environments", 2003).

In Scotland, whilst much could be done to improve the rate of completion (which was currently around 48 % - ie 52 % of all apprentices leave before completion of their apprenticeship)[37] a report just three years earlier (in 2001) by SQW for the Scottish Executive suggested that Modern Apprenticeships were fit for

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[37] Scottish Executive Social Research, 2004

purpose and that, based on their findings, no serious concerns were raised about the overall shape of the MA package, the content of the training or the way in which it is delivered.

The more recent report in Scotland (Scottish Executive Social Research, 2004) focuses on ways to improve the low completion rates including areas for improvement with the framework.

> **"....there is evidence that these (frameworks) could be improved in various ways, and these changes could contribute to an enhanced programme and lower non-completion rates. .....the frameworks might specify more clearly what is required regarding recruitment, induction and training for each MA "**
>
> Scottish Executive Social Research, 2004: 59

Similarly, research in 2003 by Dr Roy Canning and Dr Iain Lang, Institute of Education, University of Stirling, suggested that the factors affecting take-up are complex, but also that

> **"if all these factors are considered, our research also suggests that a significant *pull* factor in the form of full-time educational opportunities will tend to undermine the apprenticeship system. The shortcomings of the MA programme mean that the most able apprentices are drawn towards Further and Higher Education rather than to pursuing careers based on apprenticeships"**

This is of significant concern to SSCs where the Government target of 50% of the 18-30 age group going into Higher Education is seen as completely at odds to the drive towards increasing vocational education, and results in pulling the young people into two different directions.

The End to End review carried out by the DfES in England stated that :

> **"the most important design issue, expressed particularly by work-based learning providers, is that the MA framework is too inflexible, premised upon the idea that "one size fits all"**

and that

Note: Technical Certificates and Key Skills are discussed further on in this section.

> **" [the apprenticeship] ....is less popular with employers in some less traditional sectors such as retail and hospitality, where the requirements for technical certificates and testing of key skills were more often seen as onerous and beyond what is required for the sector".**

Focus on SSCs in other research

Although most of the changes in apprenticeships that have taken place over the years are well researched and documented, it is the case that it has been extremely rare for change and need to be investigated from a sector and employer perspective.

The work upon which this particular report is based, has, therefore, been welcomed by the SSCs. Up to now their perception has been that almost all investigations have focused on too narrow a group of sectors and frameworks. The examination of a small sample of frameworks and sectors has, they conclude, left other vital sectors and sub-sectors un-investigated and unrepresented in findings. The effect has been to possibly diminish the reliability of apprenticeship and work based learning research particularly where issues of flexibility, take up and completion are concerned.

All of the SSCs interviewed for this study stated that they felt that too narrow a focus on such an important national initiative has been responsible for policy makers missing the crucial importance of employer needs, employer input, flexibility and close links with their SSCs.

4.2 Employer Expectations

100% of the SSCs said that the apprenticeships were NOT meeting their employer requirements

4.2.1 Employer Role

Although employers are not the final "customer" for an apprenticeship, they clearly play a central role in determining the success of apprenticeships on a national basis. Unless apprenticeships are perceived by employers as being fit for purpose they will not be encouraged within their businesses. In the system at the moment, according to the SSCs, the market in England is very clearly walking away from the product.

Employers are expected to take on apprentices, to provide on-the-job training and to contribute to the cost of off-the-job training. Also, other than the young people who actually undertake the apprenticeship, employers are the next-most-important beneficiaries.

Employers need to be engaged throughout the entire apprenticeship system from initial concept and design to supporting apprentices and ensuring quality in the output.

Besides offering employment to the apprentice (employed status being the requirement for the Level 3 Apprenticeships everywhere and an ideal aim for the Apprenticeship at level 2), the employer

may also be registered as the training provider and would therefore have responsibility for the training and assessment.

They may do this if they have a training arm and if they have qualified staff. Otherwise they may choose to use another organisation such as a private training company, registered as the training provider, with the employer just taking responsibility for the work experience element of the apprenticeship.

All the SSCs and the sector bodies interviewed were asked if they would comment on whether the apprenticeships were meeting their employers needs.

Employer dissatisfaction with apprenticeships stems from one or more of the following factors:

- o Dissatisfaction with one or more of the components within the framework

- o Cost, including annoyance at paying for key skills (seen as the school's role)

- o Inappropriateness of the funding structures means that the apprenticeships are unsuitable for a mobile workforce or freelancers

- o The balance of the "off-the-job" and "on-the-job" elements are not always appropriate to the sector

- o The bulk of the apprenticeship activity may not always be appropriate to the 16 -18 age cohort (greatest area of funding)

- o Lack of recognition of their own training schemes

- o Framework inconsistencies across the countries of the UK

These issues are discussed in more detail below.

An SSC reported that:

> **"our industry is tired of putting the message across that it wants a framework that suits it"**

4.2.2 Dissatisfaction with the Framework Components

Key Skills and Technical Certificates

See also Section 6 where further detail is provided.

Non-contextualised key skills are widely criticised. They are seen as

unnecessary and time consuming and requiring tests that are often irrelevant and therefore difficult to pass, and are summed up as being "gold plating" which employers do not feel that they should have to subsidise.

The external tests are quoted by nearly all SSCs as highly unpopular with employers.

The comment below was representative of the feedback from many SSCs:

> **"[their employers] resent having to pay to put right the failure of schools to develop all young people to level 2 and having to pay for the government's social inclusion agenda."**

A number of sectors feel that as they are recruiting high calibre people they do not need key skills and there is resentment that they have to 'do them twice' within different components of frameworks.

Releasing apprentices for off the job training is resented. This relates to technical certificates in particular, but employers also sweep this up with too much external testing for the technical certificate and key skills.

The Technical Certificate[38] is unpopular in more than half the SSCs' sectors for a variety of reasons:

- Some see it as an additional encumbrance that does not count towards the NVQ and can sometimes incur duplicate assessment of the same sets of knowledge

- Other see it as a qualification that "dumbs down" the knowledge required in the NVQ

- Yet others see it as unnecessary when the assessment of knowledge and understanding within the NVQ is more rigorous than in the technical certificate (overlapping and burdensome for assessment)

Age limitations and funding

Several SSCs' workforce experience age restrictions due to statutory legislation or regulations. They complain that funding for apprenticeships focuses on the 16-18 age group which is of lesser importance to their sector.

For a number of other industries the age profile does not suit them because, on completion, the apprentice is not recognised as having the appropriate skills and knowledge equivalent to a job role at level

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[38] used in England for the Advanced Apprenticeships and for Wales, where they are also being introduced into Foundation Modern Apprenticeships (level 2) too.

3, or because licensing or other regulations prevent people practising under a certain age.

The accountancy framework in England, for example, has a much higher proportion of 19 to 24 year olds start an Apprenticeship (level 2) at 44% between August 02 and July 03 - than in the 16 to 18 year age cohort which is consistently under 20% of the total. This is also very marked for the road haulage and distribution industry where over 53 % are in the higher age bracket of 19 to 24 than the 16-18 (where the average is just over 15%).

Notably, a number of SSCs reported that employers in their sectors tend to prioritise older apprentices - even though the funding is lower.

Across many sectors, age restrictions and their associated funding constraints act as a significant barrier to take up and success in these sectors and - crucially - strike hardest at the age group that has high levels of completions and, in some sectors, greater demand from candidates and employers.

In Scotland the age restrictions on eligibility for Modern Apprenticeships have been removed. However, trainees over the age of 25 continue to attract significantly less funding than the 16-18 age group (see Appendix 9.4).

It has been suggested that if more funding was made available for the 25+ age group it would be possible to double or treble the number of these apprentices.

SSCs believe that the cost of training is not age dependant and should not cost any more to fund older apprentices.

Other Funding Issues

A few SSCs point out that that there is inconsistency across local LSCs and LECs in that they interpret frameworks according to their funding priorities which differ from region to region. Employers, especially larger ones wishing to engage numbers of apprentices on a cross-regional or cross-national basis, therefore perceive that the administrative hassle negates the business case for apprentices.

Different examples of funding problems exist in different sectors, so for some sectors concern is over the penalising-effect that occurs on transfer of able candidates.

> **Where successful Apprentices at level 2 are over 18 years of age, a transfer to the Advanced Apprenticeship at Level 3 could mean a significant reduction (estimated to be circa 56% for one sector) in funding for the subsequent Advanced Apprenticeship programme[39].**

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[39] The new funding rates from LSC now make this issue redundant but it has been an issue for some years and has only just been resolved; this is endorsed by the End to End Review which reiterates that apprentices should not be financially penalised.

This is also a key factor for some of those twenty-odd Modern Apprenticeship frameworks in Scotland where for some, the bulk of the possible take-up is in an age group that receives much less funding and where there are no apprentices registered on the frameworks at all.

And for a number of other sectors the removal of "Other Training" funding has been a disaster as there are instances where, previously, the young person would have undertaken just NVQ level 2 but is now being put on a Apprenticeship at level 2. For some of the candidates this will be too much and higher proportions of drop-outs will be experienced.

SSCs suggest that funding aimed at Apprenticeship frameworks (bearing in mind there may be several per SSC to cater for sub-sectors) rather than by sector. They welcome the introduction of funding now being available for items additional to the NVQ as announced by NRAG.[40]

Do all sectors need frameworks ?

As noted above some SSCs are forced into having an apprenticeship framework due to the funding being reduced for "Other Training" and redirected only to Apprenticeships. These sectors admit they would not have one as it is simply not appropriate, particularly where for example the bigger issue for the majority of the workforce is improving basic skills.

> **"[Modern] Apprenticeships are neither the norm, nor expected or welcomed in our sector"** SSC

The Institute of Directors study in 2003 also noted this problem:

> **"Evidence from our survey indicates that many employers simply do not see the Apprenticeship programme as appropriate or relevant to their business. It is quite likely that, for most, Apprenticeships will remain unsuitable for their training and business needs or beyond the scope of their organisation to support " (IoD, 2003)**

This latter point is still open for debate within the SfBn.

The importance of Sector Skills Agreements

The development of Sector Skill Agreements are an important vehicle for SSCs to signpost with statistical evidence where their main skills issues lie and with which particular cohort. These Agreements will thus signal the requirements for coordination and

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[40] National Rates Advisory Group

focus of public funding, and which may or may not accord with current Government objectives on apprenticeships, qualification levels or age groups.

4.3 Market Failures

As a result of these issues there are frameworks that result in what could be described as market failures.

A large building society (a household name) has withdrawn from the sector apprenticeship to run its own in-house scheme because :

"... it did not see the need for separate assessors" (ie separate from ongoing in-house assessment)

A number of SSCs agree that there are grave difficulties in getting the LSC to agree to what employers want.

One industry in particular has requested a **hybrid sector-specific /customer service NVQ but, according to the SSC, the LSC will not allow it**.

If this situation persists there is a threat that the industry will publicly withdraw from apprenticeships causing not only potential embarrassment but also the loss of a large number of potential apprentices.

A whole sector representing an industry worth £16bn in turnover and exports has had its framework removed from the national apprenticeship framework.

This is due to the SSC's inability **to nominate a suitable technical certificate,** the Awarding Body being unwilling to devise a new one as they anticipate low numbers taking up such an award. The SSC argue that none of the existing qualifications in their sector are appropriate to the knowledge element for the Apprenticeship occupations in the sector (where over 7 out of 10 members of the workforce are already educated to degree level).

A number of SSCs have experienced this situation and feel very aggrieved about it. They explain that on the one hand they are forced into having Technical Certificates within their frameworks otherwise they will be dropped, but on the other the Awarding Bodies which design, develop and award the Technical Certificates can refuse to provide what the sector believes it requires, for reasons that can include indications of small take-up.

In a separate, but similar, major industry worth £60bn the framework has had no more than twenty people start on the framework since its reintroduction in 2001.

This they say is due, in the main, to the **framework's restraints and inability to harmonise with the industry's needs**.

This industry is characterised by freelancers and a pre-dominance of very small organisations receiving project-based funds often on an ad-hoc basis. The net effect over the years has been the creation of a huge range of informal provision and a poorly diversified workforce.

In this sector the **NVQs are also very unpopular**, reflected in the data which shows that only 11% achieved the framework or the NVQ, in the period August to January 03/04 in England.

It appears that, even in traditional apprenticeship sectors, the current system is not meeting genuine needs.

A large sector with a traditional history of apprenticeships also reports that employers' expectations are not being met, as :

> **"... employers' shopping lists are too variable for the current narrow requirements of DfES and LSC to meet"**

In particular, the need for **cross-sectoral hybrid/composite frameworks** is singled out.

For example a major multi-national company that designs, manufactures and supports military transport, avionics, communications systems is dissatisfied that whilst 40% of the operational-specific workforce have their needs being met by Apprenticeships, the needs of the other 60% of operational-specific support staff do not.

Another all-sector body with a major contribution to apprenticeships (in which apprentices use the framework in over 38 different industry-sectors) cites failure by DfES/LSC to put employers first in the design of frameworks. According to this all-sector body this has meant that many large employers (for example the UK's largest insurance company, and, separately, a large transport services company employing 30,000 people), are considering 'declaring UDI' and **developing their own in-house frameworks independently.**

Many employers in another sector which, in total, employs nearly two million, are said to **not like the inflexibility of the national model** and the concomitant lack of recognition for in-house training programmes. Nor do they like the bureaucracy of putting individuals through apprenticeships especially as the sector has a particular high level of turnover. This sector has seen a dramatic downturn in take-up of their apprenticeships of about 24% between 02/03 and 03/04 at level 3.

This is also the case for other sectors that see consistently very small numbers of starts (less than 50 per year) or a dramatic decline over a number of years. In Scotland for example there are some

frameworks that have never had anyone register on them at all.

In many sectors the **name** "apprenticeship" is, in itself, regarded as inappropriate. In one they are marketed as a "Development Programme" while other SSCs stated that they would welcome the opportunity to brand the scheme in a different way in their sector.

These sectors regard the inflexible naming as being a barrier to take up, recognition and status. They suggested there would seem to be no reason in principle why schemes could not be recognised nationally and officially as "apprenticeships" at various levels, meeting broad requirements, while being branded and marketed under different terminologies with their own sectors.

Summary of Overall Market Failure

The current apprenticeship system is relatively rigid - particularly in England. It requires certain outcomes and certain levels and types of qualification within the frameworks including Technical Certificates and externally tested Key Skills.

When set alongside the massive variety and sophistication of industry and employment needs across a 27 million strong workforce and frameworks ranging from retail to engineering and hairdressing to IT, these rigidities are acting against the objectives of the programme as a whole and against the core direction of Government policy.

Many of the SSCs report that employers' concerns centre around apprenticeships being seen as too bureaucratic. NVQs are the gold standard and one SSC claimed that 44% of young people are tending to drop out once the NVQ is under their belt. The overall completion rate for this same sector is just 17 %.

A single example will serve to underline these failures to appreciate market forces.

An SSC requested to be allowed to insert a Technical Certificate at Level 3 into a Level 2 Apprenticeships framework. This is mainly to meet the needs of the British Army which has specifically requested a more appropriate level of qualification for its level 2 candidates. This request was rejected by the LSC.

In addition to the concerns of employers there are also issues that the SSCs themselves experience and which impact to a greater or lesser extent whilst designing, developing, monitoring and updating the frameworks.

As a reaction to this some SSCs are developing "alternative" frameworks such as a Foundation Degree Apprenticeships, and are working in Wales on a Higher Modern Apprenticeship as one that better meets their employer needs.

Issues impacting upon SSCs

These issues include:

… Poor **data intelligence**

… Poor levels of **delivery of provision**

… Inadequate **relationships with providers and learners**

… Lack of **awareness and understanding** - parents, schools, as well as employers

… Lack of real ability to promote **sector products and branding**

Data Intelligence   In England data are available reflecting different periods within a 1.5 year timespan (currently August 2002 till April 2004) via the LSC website for the public to access on starts, leavers, completions of NVQs only or completions of Frameworks on each individual framework. Other data on starts by frameworks per local LSC are available, too.

In Scotland data is not publicly available. It has to be requested and permission sought from the Scottish Enterprise Network and from the Highlands and Islands Enterprise Network, it is available for a more recent time period than for England, however.   Data for Wales are available in a similar way to Scotland, ie from ElWa but this can also be fairly limited and difficult to obtain.

Therefore there are very few opportunities for data-mining and gaining real intelligence for the majority of the SSCs which will help them identify problems that need addressing. Many do not have any data to provide a longitudinal picture.

There are also few opportunities to access data about other facts and the SSCs report reduced flexibility in the last few years to obtain data in greater depth. This problem is particularly marked in the case of information on apprentices, which, according to the SSCs, the LSC in England is unable to provide for data protection reasons.

The information is acquired and held on the Individual Learner Records, but the SSCs believe that the Data Protection Act protects individual data only (ie associated directly with a named person or identifiable as such). They can see no reason why aggregate data (where overall sector or regional quantities are sufficient) could not be provided.

This is one of the reasons why most of the SSCs know very little, for example, about progression and destinations between Apprenticeships in England and Wales, and from the Modern Apprenticeship in Scotland and the Advanced Apprenticeship in England to Higher Education.

SSCs would also need to have data on completions for key skills, Technical Certificates and progression/destinations at the very least. In the absence of their own registration schemes they are unable to access these data easily. The data on Individual Learner Records (ILR) however does contain a number of different sets of data from fields which would be useful to the SSC.

Data do not yet show "distance travelled" (although there are New Measures[41] which are being put together by the LSC around this area for England). Instead the data only show outputs, in the main, in the form of completion of whole frameworks or completion of just the NVQs.

This research has shown that existing databases in Scotland also fail to provide full and adequate data on the progression of young people enrolled on Modern Apprenticeship programmes. In particular the data are limited on young people who leave their Modern Apprenticeship programme before completion. There is evidence that some apprentices who change employers and/or training provider are recorded as non-completers, even though they are still on programme. (Scottish Executive Social Research, 2004: 60).

Poor delivery by providers

SSCs recognise there are good and poor providers. Their reports of this variable quality of delivery by providers was supported in England by the 2002 ALI report which showed for around three-fifths (58%) of work based learning providers' provision was inadequate and not meeting the needs of their learners.

Whilst the latest Annual report from the ALI in England for 2003 shows a drop in this rate, to 46%, it still claims that 40% of those inspected demonstrate poor management and leadership.

Specific problems, which have implications for SSCs and the frameworks, include poor partnership-working between providers and employers and ineffective recruitment. In terms of the latter inadequate staff development and low numbers of staff with appropriate qualifications result in situations whereby :

> "**... learners may be placed on inappropriate programmes, which they subsequently leave without completing**".
>
> Hughes (2002) "Making The Grade"

SSCs are very much in the hands of providers and with their general lack of data/intelligence they find themselves in a weak position to assist. Nevertheless, there are examples that show if the SSC and provider work together issues can be resolved.

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[41] New Measures of Success: Priorities for Development published by the Learning and Skills Council, July 2004 covering amongst others – a new measure of learner success applicable to all providers, value-added and distance-travelled measures to compare level achieved with starting level)

The example of the National Forum of Engineering Colleges is one such example whereby through a "buddy and mentoring system" poor provision can be picked up and improved.

Further, much assistance and support has recently been provided by the LSC, LSDA and other agencies around the UK to try to address the role of providers. These are in the form of Guidance documents, Toolkits and other measures to improve retention and achievement.

Nationally, there has been some considerable increased focus on training providers in recent years, and in England this includes the Strategic Area Reviews (StARS) of service provision undertaken by LLSCs as part of *Success For All[42].*

These reviews are designed to ensure that high quality and accessible learning opportunities, which meet the needs of learners, employers and local communities, are available in every part of the country.

In carrying out these Reviews, local LSCs are working with providers to ensure provision is well planned and builds on existing work.

The End to End Review suggests, however, that there has been a significant reduction in providers with LSC contracts for quality and efficiency reasons. This has led to concerns that there may be insufficient choice and capacity to meet apprentice and employer needs and priorities in all areas (End to End Review, p.19).

Another concern in Scotland relates to the way in which provision is contracted by the delivery agencies (Scottish Enterprise Network and Highlands & Islands Enterprise Network).

When these agencies contract providers for apprenticeship places they do so by sector - whichever sectors have been prioritised by the Scottish Executive and Future Skills Scotland. That there is no flexibility in the sectors covered by the contracts has led to training providers going into areas in which they are not experts. In turn, this has had a detrimental effect on completion rates.

It has also been suggested that if more funding was made available for the 25+ age group it would be possible to double or treble the number of these apprentices.

Promoting Apprenticeships

The lack of awareness by key influencers such as parents and careers advisors is likely not been assisted by the fact that the predecessors to SSCs, the NTOs, were not well funded to produce much in the way of sector based promotional or explanatory material on Apprenticeships. Whether this may change in the future is unclear to the SSCs.

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[42] Our Vision for the Future, DfES, November 2002

Name changes to the Apprenticeship brand can be very costly for SSCs and this is exacerbated by the requirement for different material owing to the different names and policies across the UK.

On the whole, most of the SSCs felt that sector specific campaigns are more effective than national campaigns. They were unsure how successful the recent national campaign, initiated in May 2004, had been because there had been little feedback from DfES or LSC. Some SSCs said that they had received a few contacts from employers and/or young people asking for an "application form".

SSCs feel that how to get started with recruiting an Apprentice as an employer or, as a young person, choosing an Apprenticeship to follow is not always that clear.

Again they make the point that internal (sector and sub-sector) design and branding would assist the Government and the employers. The overall "official" programme could be maintained without concern as to its public names while the sectors could brand to meet employer needs and expectations and maintain those brands over the years to build up loyalty and recognition.

One SSC was concerned that there could be excessive contact with employers :

> **"Under new arrangements - there are LSC staff liaising with employers, the SSC have regional managers liaising with employers and there are providers liaising with employers. This duplication of contact could annoy employers and put them off..."**

4.4 Potential Market Improvers

A number of SSCs have been working with their sector(s) **to try to improve the situation whilst still working within the current policy requirements for frameworks.** Some of this activity also demonstrates that employers are not always looking to contain just the minimum within the framework.

SkillsActive: Within its newly approved "Modern Apprenticeship in Sporting Excellence" framework, SkillsActive worked for almost two years with athletes on getting a framework that provides for their needs. There are several features of interest :

1) Its new NVQ which is called "Achieving Excellence in Sports Performance Level 3 NVQ/SVQ" consists of units not just about playing the game but also deals with the players professional development - ie they cover the planning for and development of the necessary technical, tactical, physical and mental skills and knowledge.

2) There is a large choice of qualifications for the Technical Certificate component and which are split into Sports-focussed and which relate to the underpinning knowledge of the NVQ and Sports-

related whereby the Qualifications listed have a definite relationship to the National Occupational Standards.

3) Apprentices must choose qualifications that add up to a relatively high amount of Guided Learning Hours (780) and which also include A2/AS levels as options.

4) All six key skills are included and required in the framework for England and Wales.

> **"all consultations within the industry …. indicate very clearly that without the flexibility offered by the proposed Framework, few potential elite athletes will participate and therefore the Framework cannot be considered "fit for purpose". …. the proposals may help to bridge, where appropriate, the traditional void between vocational and academic qualifications and acknowledge that academic qualifications also play an important role in longer term career progression".**

Financial Services Skills Council

The Council are working with the Qualifications Curriculum Authority (QCA) to develop new qualifications that will better meet the needs of their employers and thus the apprentices. This will involve a more flexible approach to aspects of quality assurance of assessment. This sector did not, historically, welcome the NVQs and perceived the delivery of the NVQ as too bureaucratic. A new award by Edexcel called "Providing Financial Advice" will address concerns about duplication of existing processes including the "training and competence" schemes used by organisations.

This new qualification is structured to deliver three mandatory units based on the 4 mandatory units in the Level 3 NVQ in Providing Financial Advice. Classified as another type of occupational qualification it differs from the NVQ in not adhering to possession of the A and V awards, instead these are mapped again the training and competence schemes of participating organisations, and which the Awarding Body has approved. Stage two of the pilot will focus on SMEs (60% of the sector).

Skillsmart

There are similar developments between QCA and Skillsmart, the SSC for the retail sector. Again, this sector has not had a large take-up of NVQs because of the perceived added bureaucracy of their delivery.

The SSC's preferred qualifications strategy for the future, agreed by the sector, is based on a credit accumulation model. This includes core and option modules, with individuals able to 'pick-and-mix' the units across the levels - providing a total number of credit points are achieved.

Within this, it is envisaged that, wherever appropriate, the NVQ and Technical Certificate would be replaced by companies' in-house training programmes mapped against them.

At the same time, employers would be able to map their in-house training programmes to the assessor and verifier qualification units -

and, therein, accredit company assessors themselves.

These latter elements relate to the on-going work between the QCA, the SSC, the Apprenticeship Task Force and TESCO.

The QCA has agreed to temporarily suspend the attainment of A and V awards for assessors and verifiers within certain TESCO stores. Instead, TESCO will utilise its in-house processes and systems to facilitate delivery of the NVQ as outlined above.

Pilots have been arranged between QCA, LSC and the City and Guilds. However, it should be stressed that no decisions have yet been taken regarding this alternative model of accrediting company assessors.

Creative and Cultural Industries SSC

This sector has not shown much interest in the NVQs or its Modern Apprenticeship to date.

Work is currently on-going to consider alternative qualifications that use the best of the National Occupational Standards used in the NVQs and other VQs that are more readily liked and used by the sector, as well as ensuring that the key skills are embedded and identifiable within the final qualifications.

Arrangements are being looked into that may help an apprentice gain different experiences of work with a range of employers. The capacity of Employers in the creative arts for providing a full length placement, on the whole, is limited. Named a Creative Apprenticeship the intention is that employer/providers will conform to a Guiding Principles document that sets out the main reference points of what constitutes a Creative Apprenticeship.

SEMTA

SEMTA 's engineering framework exceeds the requirements for an Apprenticeship at Level 2 in Engineering as it contains a compulsory Technical Certificate. A number of other SSCs state that they would choose to do this too in order to embed the underpinning knowledge at this stage as it eases progression to the Advanced Apprenticeships[43]. For SEMTA it provides a general vocational education for apprentices within the programme, which traditionally they received from a broad base of vocational education programmes. The introduction of the Technical Certificate is important at level 2 for those participants that may be deficient in basic education on entry[44].

Recent additions to enhance Apprenticeships in England :

Programme-led Apprenticeship

A number of "new" alternatives, in addition to the family of apprenticeships described in Section 2, have been introduced. These include, from August 2004, "programme-led apprenticeships". These are part of the "LSC's intention to ensure an extended range of routes into Apprenticeships for a wider cohort of young people (both pre- and post-16) across all learning and skills sectors and to improve access to Apprenticeships in respect of equal opportunities".

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[43] Will be introduced shortly into the FMA for Wales.
[44] it should be noted that ideally SEMTA would wish to have a Technical Certificate at level 3 in the level 2 framework.

Offered locally in the first year, they are effectively a route into Apprenticeships and Advanced Apprenticeships which typically offer access to the technical certificate and key skills components of a framework for those young people aged 16 and over not in employment or waiting to start employment. **They are for those sectors where an employer led programme is not appropriate, as long as a framework is in existence.**

Approved Employer Schemes

Approved Employer schemes[45] have been introduced by the Government to provide employers, who already run high quality training schemes as good as the Apprenticeships, the opportunity to run theirs. They were a recommendation in Cassels (2001) "Way to Work". The schemes have to be approved by the LSC, the SSC and the Apprenticeship Advisory group.

One SSC cites Dolland & Aitchison as a leading exponent and which shows an arrangement that accords with the general consensus that frameworks should build on what employers have and want rather than be imposed as a rigid template.

BAA is in the development stage of a bespoke framework that will add languages and intercultural differences to retail skills.

e-skills UK have been working with the Royal Air Force and the Army with a view to extending the approach to other large qualifying organisations in the telecoms sector.

SSCs would prefer that the schemes are taken to and discussed directly with the SSC first where the expertise and understanding of what is being requested is already present but may also assist with such implementing similar activities with smaller employers that wish to map their own in-house training schemes to the apprenticeship frameworks.

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[45] currently confined to the large employer groups and the National Contract Service which liaises with employers with over 1000 employees and operating across at least 5 LLSCs.

5. BEST PRACTICE - DESIGN AND DELIVERY

Best Practice should be regarded as:

> **"... focusing on employers' needs and using that as a start-point rather than taking the national framework and trying to adapt it to fit industry requirements"**
>
> (SSC)

5.1 Current SSC Initiatives

Listed below are some examples that seem to make the most of the issues listed earlier and which others may benefit from considering for their own sectors. It was mentioned by some SSCs that having a repository for good practice and information that SSCs can share may be useful and is in some ways missed as this was something NTO NC used to provide. If this could be delivered through the SSDA this would be very useful.

Automotive Skills have a membership scheme in operation with their providers which entitles them to up-to-date support and career material as well as opportunities through regional groups to share best practice and ways of minimising problem areas. It results in a "vibrant network".

The CfA holds up its 'enhancements' to its framework as best practice as employers are enthusiastic about being able to design their own courses to include their induction, health & safety, first aid etc.

Energy & Utility Skills point to the CORGI [Council for Registered Gas Installers] "license to operate" and which is embedded in their framework. The effect is to act as a powerful recruiting tool and pull for apprentices who are encouraged to complete their framework to gain the licence.

e-skills quote an example of best practice where they provide support and learning materials for providers to help with the Technical Certificates. The SSC also holds local workshops with LSCs and local providers.

Also in **Scotland** a new IT SVQ for e-skills is made up of just two mandatory units and many optional units which enables employers to access the exact choice of competences to match their workforce needs and is regarded as being very flexible.

SEMTA set up for the engineering industry a National Framework Committee which comprises employers (including SMEs), colleges, the general secretaries of trade unions, the DFES and LSCs. The committee meets 6 times a year and provides up to the minute advice on any changes to the frameworks that the employers desire. This allows a rolling programme of changes to the frameworks.

Skillsmart sees integration as best practice where the employer is also the provider. They cite Beatties, a department store chain in the Midlands and Bells, a groceries chain in the North East (which has just won a Training Award) as good examples. The key to success, they believe, is that the employer leads and moulds the framework to their needs.

Coatings: A citizenship module within the Apprenticeship is used as an induction programme by employers that means that not only is this being covered with the Apprenticeships but it also ensures that employees get a good induction as the candidate sees all areas of the company.

A Positive Case Study - Photo Imaging (Skillset)

The Defence School of Photography (DOSP) is responsible for the photographic training of all personnel from the three Armed Forces, as well as the MOD. Professional photographers for the Armed Forces undertake a 26 week course, covering photography, photo processing and video production.

By undertaking the course, students achieve the components of the Advanced Modern Apprenticeship in Photo Imaging which comprise:
- NVQ Level 3 in Digital Photography and Imaging
- 3 additional units from the NVQ Level 3 in Photographic Processing (units relating to Minilab operation)
- Key Skills at Level 2 (Application of Number, Communication and Information Technology)

The DSOP has an annual uptake for the Advanced Apprenticeships of around 40 candidates. The completion rate is nearly always 100%.

Some of the features and possible reasons lying behind this success are:

- The DSOP is both the training provider and the employer. As both training provider and employer, quality of provision and successful completion is paramount. Evidence of this is in the 100% completion rate, and the extremely high standard of work produced by the candidates.

- As more women join the Armed Forces, there has been a significant increase in the number of women completing the Advanced Apprenticeship. This has gone some way to redress the gender imbalance that is characteristic of training and education in the sector, and employment in the industry generally.

- The DSOP has successfully incorporated Key Skills delivery in the course structure, by designing learning activities which underpin the knowledge and understanding of the NVQ. So, for example, numeracy Key Skills are incorporated into the teaching of focal lengths, aperture size, shutter speed, etc. This contextualisation

of Key Skills avoids the burden of separate delivery - and demonstrates their relevance to the vocational learning of the candidate.

- The established training course in Basic Photography provided underpinning knowledge and understanding to support the skills developed in the NVQ. This training course had a proven successful track record and met the criteria for a Technical Certificate and which was approved as such. Established, effective provision was utilised, formally acknowledged and accepted.

Candidates who complete the Apprenticeship have gone on to become successful, professional photographers in the Armed Forces (or the MOD).

Extremely high completion rates are evident in other sectors and Lantra for example can point to Fencing as one such example whereby they achieve near 100% due to the framework being designed exactly to meet their sector's needs.

5.2 Added Value to Apprenticeships

The SSCs stress that they recognise the benefits of apprenticeship for their sector and employers have variously quoted one or more of these benefits:

Apprenticeships provide

1. A good basis for training ;

2. Learners with recognition of achievement ;

3. The opportunity to reduce the older age profile experienced by many sectors ;

4. Opportunities for employers to have a recruitment edge;

5. Chances to increase diversity where it is genuinely required.

It is clear that Apprenticeships mean different things to different sectors and the expectations cover one or more of :

> **Broad base training i.e. providing the apprentices with a variety of experience within the company and sector to help them make choices regarding specialisation at a later date ;**
>
> **Acquiring the necessary skills to be able to obtain the licence to practise mainly for a "trade" or entrance to a profession ;**
>
> **In many sectors there are acknowledged skills shortages and age profile issues and the apprenticeship helps to mitigate those factors ;**

To encourage greater diversity into the workforce apprenticeships are perceived as an important and necessary route to provide a serious alternative to the traditional, established pathways.

Examples of these are available across the SfBn and too in the case studies on the Apprenticeship Task Force website[46] where companies have been successfully introduced to Apprenticeships.

The Apprenticeship Task Force has been set up to:

- act as Apprenticeship champions for their sector;
- promote Apprenticeships through their networks and communication channels;
- encourage suppliers/contractors to use Apprenticeships to develop their workforce;
- provide critical analysis of LSC's sales, marketing and branding strategies.

These case studies have included James Beattie PLC (department stores with 2,500 people) as an example of a company looking to address skills shortages:

> **"The Apprenticeship attracts new people to the industry and enables young people without retail experience to develop the necessary skills ... Apprenticeships also help us to identify and nurture those with the potential and desire to build a successful career in retailing"**
>
> Sue Aston, Beatties' Personnel Director

and, for example:

HICA Specialised Care Homes, a not-for-profit independent care provider, which offers Apprenticeships in Care and Catering to its 1,200 staff.

A learning provider helped HICA to integrate the requirements of the Apprenticeship into everyday working patterns. HICA are concentrating on encouraging existing staff to opt into Apprenticeships and obtain qualifications.

> **"By encouraging our employees to take Apprenticeships we are looking after their interests and our own. We are gaining qualified staff who are helping to up-skill the caring profession, which improves the standard of care to our clients."**

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[46] www.employersforapprentices.gov.uk/

6. IS THERE A CASE FOR CHANGE ?

6.1 Flexibility and adaptability

Success rates for apprenticeships (as detailed earlier in the report), although improving, remain at low levels.

For 2003/04 the overall percentage completing frameworks was 33% for Advanced Apprenticeships at level 3. This compares with the equivalent of the level 3 scheme in Scotland where the completion rate hovers between 48% and 51%. For Apprenticeships at level 2 the total proportion of framework completions was just 26%.

From a national point of view - particularly in view of the resources involved - even the Scottish figure represents a "wastage rate" of around half. Against this, the English figure of around two thirds not completing the framework looks decidedly poor.

When asked, not a single SSC could state that their employers had no concerns about their apprenticeship frameworks.

Concerns extended across a wide variety of issues of which the most commonly cited were:

- the rigidity of the framework requirements

- the apparent inability to have employer's (except the very large company) own training recognised

- the barriers created by inflexible key skill assessment and testing requirements

- poor understanding of the system by key influencers - parents, connexions, schools as well as the employers.

As this report has showed, there are examples of change that the SSCs have facilitated within their framework in order to better meet employer's needs, and other areas in which doors have been opened toward greater flexibility.

However, there remain considerable barriers relating to the framework that require consideration to improve take-up and completion by apprentices, deeper understanding among key influencers of young people, and greater acceptance and better engagement with employers.

Some SSCs report that the framework requirements they have to use now are narrower than they used to be, with the introduction of the Technical Certificate for example this has constrained the level of knowledge to what used to be delivered in previous years. A broad based vocational education programme is what is required as this would enable the greater foundation of knowledge that is required in

some sectors where higher level skills are necessary. In essence they say that employers are now getting apprenticeships with less knowledge than they used to have, but it is costing the same.

The barriers discussed here relate to a lack of flexibility within the framework. If one or more of these barriers were improved, many of the SSCs would be better able to match their various sectors' characteristics and requirements with a tailor-made framework. The call from all sectors is for this **ability to be given to SSCs in order to create frameworks that key into sector conditions and requirements while still delivering a high quality programme.**

> **"[What we need are] ..moves to have greater flexibility and freedom to create apprenticeships to match own sector image"**
>
> (SSC)

This ambition is further supported by the findings of the End to End Review which suggests a way forward for increasing flexibility and removing significant barriers.

In their view:

> **"... such an approach would lead to significantly better results and the active engagement of far more employers and learners"**
>
> (End to End Review, para 31)

The barriers focus on a mix of the elements listed below :

1. **the main qualification (NVQ/SVQ) within the framework,**

2. **the treatment and assessment of key/core skills in the apprenticeship,**

3. **the Technical Certificate - currently (in England & Wales) a mandatory qualification within the Level 3 Apprenticeships**

6.2 Key and Core Skills

Of the six key skills, two are mandatory at level 2 for the Advanced Apprenticeship, and the same two are mandatory at level 1 for the Apprenticeship. These are separately certificated and require externally set and marked tests to be completed unless certain proxies can be evidenced.

In Scotland, the five core skills are also to be separately certificated unless a detailed mapping can be provided which illustrates the inclusion and assessment of the core skills within the SVQ units.

There is no requirement, at present, for an external end test.

The statistical evidence for England shows that, **at Advanced level, non-completers of frameworks total around 69 %.**

At Apprenticeship level (level 2) three quarters (74 %) of apprenticeship leavers drop out before gaining the full framework.

The extensive research carried out by the End to End Review concluded in April 2004, that

> **"However, [the framework] is less popular with employers in some less traditional sectors such as retail and hospitality, where the requirements for technical certificates and testing of key skills were more often seen as onerous and beyond what is required for the sector.**
>
> **This is reflected in lower levels of completion of MAs in such sectors, which can be partly accounted for by the tendency of employers to see the NVQ as the main qualification they require, and the temptation to regard the employee as qualified before he/she completes the framework"**

Anderson and Metcalfe, 2003[47] agreed that

> **"The introduction of the technical certificate and the increase in the amount of time spent on off-the-job training may further deter some employers from continuing to take on the Modern Apprenticeship, particularly within the Retail framework.**
>
> **Changes made to the key skills element of the MAs may encourage some employers to continue should the changes remove or reduce those elements employers perceive to be irrelevant.**

This does not seem to be such a problem in Scotland where surprisingly high numbers of frameworks require separate certification as the core skills cannot all be mapped to the SVQ units.

In Wales external tests are being dropped as from September 2004.

Key Skills are widely seen as unnecessarily complicated and poorly thought out. Some SSCs are vociferous in their views and all SSCs want to see them contextualised and, better, fully integrated.

The retail sector is often a source and target of investigation and research but the findings, below, relate to other sectors too.

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[47] *Modern Apprenticeship and Employers: evaluation study* DfES Research Report 417.

A number of them have, however, identified key skills within either the NVQ or the technical certificate or both. The independent assessment, via externally set and marked tests are resented and these are felt to be too hard or, worse, completely irrelevant to the sort of work the apprentice will be expected to undertake.

Evidence from different sectors shows that in England there is a very strong case that there are crucial factors putting vast numbers of young people off completing the apprenticeships.

Many of these factors are, in the view of many SSCs, also putting employers off introducing apprenticeship schemes.

They include:

- the requirement to separately certificate key skills,
- a lack of contextualising the key skills, and
- the external test

The evidence shows that this method for increasing young people's attainment of key skills is not working.

Many SSCs regard it as counter productive to

a) introduce the end test and

b) have end tests that are in such generic terms that the young person is unable in many instances to apply their learning to general situations.

As the majority are not achieving key skills (certainly in England, Wales and Northern Ireland, and possibly as core skills in Scotland), the question is would it not be better and encourage more starters to complete if the key skills were kept within the context of the sector and the work environment and evidenced, wherever feasible, through the NVQ (as generally takes place in Scotland with the core skills)?

> **"The problem is of not contextualising key, or even basic, skills. Application of number is often delivered as a separate maths lesson by providers who are not integrating Key Skills"**
>
> (SSC)

Another SSC said:

> "**Our recent review of key skills showed that employers want to keep them, they just want them contextualised - they want them to fit better with what apprentices actually do.**"

The system that allows certain types of qualifications and education to be treated as proxies for key skills and for candidates to be excused tests accordingly, is very complex.

Whilst the information is available on the QCA website and the document for use in England "Key Skills, Policy and Practice - Your Questions Answered" (DfES, LSC and QCA) is also available and updated, a sector body said that they have to query 14% of the requests for certification of which 6% are not resolved. These queries are nearly always due to misinterpretation of the key skill rulings which are seen to be unnecessarily complex and difficult to understand.

Another SSC said that key skills, the proxies and the end test were very time-consuming problems for them:

> " whereas key skills is one line in my job description, it takes more than 50% of my time"

Two sectors with similar achievement rates looked into the reasons for non-completion in general and key skills specifically. A summary of their findings is given below.

Sector A

average success rates in 2002/03

- for Foundation Modern Apprenticeship = 30%
- for Advanced Modern Apprenticeship = 32 %

A recently conducted survey of employers and training providers provided information regarding the end test for Key Skills, clearly demonstrating the antipathy towards it,

External end tests

Learners can successfully build a portfolio of evidence that demonstrates that they have understood the application of the key skills for the framework. However, not all learners have the ability to pass an external test under conditions that are not always conducive to memory recall.

Many learners that enter this sector have already failed in the school system and tend to be more creative and not academic in nature. Therefore, they frequently find exams stressful and, as a result, under perform.

> **Based on a survey of 37 providers; 97% wanted end testing for key skills to be abolished.**
>
> **100% of these training providers agreed that if end testing was abolished, key skills could be more easily and more usefully achieved through portfolio-only evidence.**

Over 94% of training providers also explained about the problems they have in getting learners to show-up for the end tests.

Providers made the following comments:

- They have had to pay the learners to turn up

- They take the test - at significant expense - to the learner's place of work

- Some now have access to on-line testing

- They have to provide a 'taxi service' to get learners to the test centre

- The learners take the test at 8 pm in the evening.

Those who had statistics on 'no shows' - ie those who failed to show for the end test, say they ranged from 42% to 70% of all those who were supposed to be tested.

Asked about preference for portfolio only evidence or end testing for the measurement of key skill achievement, training providers selected:

Portfolio only	**90%**
End exam	**10%**

Providers commented that 19+ and those already with clients were harder to get to complete the end tests as they lose money when not working. Additionally, employers are reluctant to release learners from work to sit end tests as they are not available to assist in the workplace.

Sector B

average success rates in 2002/03

- for Foundation Modern Apprenticeship = 33%
- for Advanced Modern Apprenticeship = 29 %

This sector undertook a detailed non-completion survey in 2000. Some of the findings were that:

> **"Employers and providers operating closely with employers generally wanted to see Key Skills fully integrated with the NVQ"**

The survey revealed that employers and providers believed that

> **"Key Skills are set at too high a level"**

It also revealed that:

"There is widespread opposition to the external tests ... seen as creating additional and unnecessary barriers to trainees and apprenticeships and as alienating employers"

The survey looked specifically at reasons for non-completion. These included:

"difficulty in achieving key skills, in some cases due to a lack of match with workplace activities"

"achieving the NVQ but not seeing any point in completing the other components".

Another factor that seems to be unfair to the young person and a distinct disincentive is the norm referencing of the achievement. This means that the result of the test is not only based on their own ability, but also on that of others who take the test at the same time - from whatever sector.

For example:

The end test for Application of Number might be taken in a situation on which level 3 hairdressing trainees and level 3 engineers sit the test at the same time.

Norm referencing of this particular test may well displace the overall results and degrade the achievement of the hairdressing learners. These candidates may end up failing the end test due to a vocationally unfair referencing of their ability. Students on engineering courses are usually far more competent numerically than hairdressers need to be.

Whereas, if the hairdresser trainee happen to take the test on the day as others from sectors with similar educational requirements and characteristics (for example in child care) they may then well pass.

6.3 Technical Certificates

Technical Certificates have a number of purposes[48] including enabling and supporting progression from apprenticeships into Higher

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48 they are vocationally related qualifications that deliver the underpinning knowledge and understanding relevant to the NVQs which is/are included in the Apprenticeship frameworks

Education.   A series of compacts are being organised as pilots in different sectors, organised by LSC/DfES, to establish the principles behind this.

One SSC is concerned that the inclusion of the Technical Certificate represents a counter-productive instance of "academic drift". They perceive that the DfES and LSC are seeing the technical certificate as the driving force and the central objective, rather than the NVQ.

This SSC's sector is also concerned about the inflexibility of the Guided Learning Hours specifications, which do not differentiate between different sub-sectors, and the funding regime, which has made the scheme more provider-driven than employer-driven in their eyes.

Another SSC suggested that:

> **"the technical certificate is the answer to a question that the employers never asked"**

One SSC highlights the "Higher Modern Apprenticeship" in Wales as a good example of a framework that does not conform to the national framework. This is a hybrid that only exists in Wales, funded by ELWA.

It combines

- **HNC/HND,**

- **NVQ Level 4 and**

- **key skills at level 3.**

The requirements for off the job learning and the delivery of the technical certificates causes concern for a number of sector, particularly those where the apprenticeship is not a well bedded in concept. Time off away from work is very difficult for some employers to come to terms with.

One SSC has noted a decrease in take-up following the introduction of the technical certificate which they ascribe to providers opting for easier frameworks.

6.4 NVQs/SVQs

The main component that has been a part of the Apprenticeships since they were introduced is the NVQ/SVQ.

However, many sectors are on their 4th or 5th versions of their NVQs and SVQs and with changes introduced over the years aimed at freeing up the language, design and structure they and employers feel much more comfortable about their use.

To varying degrees, some SSCs, and certainly many employers, would be happy if the apprenticeships and the NVQs were virtually synonymous.

There is evidence in Scotland, cited in the Scottish Executive's Social Research report "Improving Completion Rates", that the SVQ is sometimes too big for the job role being covered by the Apprentice and can lead to non-completion.

Alternatives are already being considered.

The dislike of NVQs/SVQs in some sectors is evidenced in a number of ways - for example, poor take-up rates. In one sector take-up is so poor that the Awarding Body no longer offers the NVQs as there is no business case for keeping them.

Many sectors believe that the NVQ is still too inflexible in its content, design and structure. One SSC also reports that although their industries like occupational standards, they see NVQs as unnecessarily bureaucratic.

As mentioned earlier however, work is being carried out by some SSCs in conjunction with QCA to improve the situation with regard to the flexibility of qualifications. Examples have already been discussed where financial services and retail are moving to match either the size of qualification required, or the type to that which meets employer needs more accurately.

6.5 Future Options for adding value ?

6.5.1 Suggestions for Change

The results of the studies and interviews undertaken for this report lead to a number of options that might be considered for change which SSCs argue would encourage take up and completion and lead to more extensive assessments of key and basic skills within apprenticeship frameworks.

These include:

❑ Focus on employers' needs and use these as start point - design framework entirely according to sector

❑ Choosing different types of qualifications and structures than S/NVQs to allow more accurate match to industry needs

❑ Allowing SSCs and sectors to build in groups or suites of highly relevant smaller qualifications rather than a single, overarching qualification

❑ Greater flexibility for sectors to choose just the qualification and not have a full framework

❑ SSC to decide the best contents and the most appropriate method of embedding key or core skills

❑ Progression routes/entry and exit points to sectors differ - therefore different packaging [eg Technical Certificate at L2 or HND in with L3]

❑ SSC to set the standards (performance and knowledge) and endorse employer training and outcomes that evidence this

❑ Company-devised and/or SSC- endorsed schemes

❑ Flexibility to re-name and brand the Apprenticeship to whatever suits the sector

❑ Agree a "core" plus choices for specialisation plus individual employer requirements, measured by credits

❑ Make the fundamental principle of apprenticeships "matching sector needs" rather than following national guidelines and restrictions on content

❑ Developing a new approach which requires broad nationally set standards of quality to be laid down as guidelines at each Level but that allow each SSC to design a programme within those guidelines that meets their sector and sub-sector needs, to name them as appropriate, and to register and monitor quality and achievement within them

6.5.2 Suggested Policy Changes

The SSCs, whilst recognising it is early days for the interim proposals by the Tomlinson group, were asked to comment on whether the Apprenticeships should become a qualification in its own right[49].

Most of the SSCs were not at all convinced of the value in making it a qualification in its own right. In general, the SSCs felt greater clarification would be required about 1) terminology and 2) its place within the National Qualifications Framework. If the latter was valid then an Assessment Strategy would be required. Similarly Awarding Bodies would need to be involved and this would confuse the situation currently managed by SSCs in the form of issuing the completion certificate. Further, it is very unclear as to whether this would be a uniform requirement across the UK.

Notably, if the apprenticeship was made into a qualification in its own right this could render the Completion Certificate obsolete. SSCs are strongly against such a development, which would effectively remove an important quality assurance mechanism.

Many emphasised the importance of the Completion Certificate system

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[49] Noting that the original introduction of this concept was in Cassels where it was referred to as the Apprenticeship Diploma; but this has since changed to as "work towards awarding 'Accredited' status for those who successfully complete an Apprenticeship. At present an Apprenticeship is not a recognised qualification in its own right;" 10 May 2004 press release 2004/0095

and of SSCs management of it - as SSCs are really the only organisation that can pick-up examples of non-conformity to outcomes. (For example, a number of SSCs reported instances of claims of framework completion where evidence was wrong or incomplete).

7. CONCLUSIONS

7.1 Summary

The research has shown a picture of some considerable change over the years to the Apprenticeship programme, particularly for England and in Wales.

Some of the most recent changes include :

- Removal of the age cap in England (already been removed elsewhere)

- New names for the apprenticeship in England so that they are now all completely differently named in across the four countries in the UK

- New funding structures to take account of the different components of the Apprenticeship programme in England

- A broadening of the programme to a family of apprenticeships in England each of which have, or will have, specific mandates on framework content

Apprenticeships constitute an area that has been extremely well researched. Studies have ranged from how well the UK fares in the construction of, and success in, apprenticeships against other countries, to what factors need to be altered or amended to improve completion rates. There have been numerous national as well as sectoral studies.

ElWa, Scottish Executive and the DfES/LSC have all examined this in some great detail over the last year to understand what could be done to improve the low completion rates.

In this last year, too, the Skills for Business network has become more established (with 25 SSCs given the licence as of July 2004). Their responsibilities are much wider and all embracing in UK wide vocational education and training than for their predecessor organisations, the NTOs.

The requirement for the Sector Skills Councils to review their apprenticeship frameworks was set in the End to End Review and recommended by Sir Roy Gardener, chair of the Apprenticeship Task Force.

In the first instance this report is about a review of whether apprenticeships are fit for purpose.

Sector Skills Councils have a remit for the entire UK. They are concerned with the problems of the system of apprenticeships across the Uk, but particularly in England where it is perceived that there are the most barriers. They also recognise that in

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Scotland there are issues for instance the lack of an Apprenticeship at level 2 is causing most concern. In England, however, there is a declining popularity of the advanced apprenticeships (level 3) and there are very high proportions of young people who do not complete the framework or who just complete the NVQ.

SSCs are extremely concerned, therefore, at the fact that around two thirds to three quarters of young people who begin an apprenticeship do not complete it in all its requirements.

SSCs are also very concerned about the existence of apprenticeship policy differences across the countries of the UK and would like to see much better uniformity in the future model across the UK, not least to ease employers' confusion.

SSCs have been involved in the design and delivery of vocational education and training within their sectors for a great many years and feel that an approach to apprenticeships centred on that expertise and on their strong links with their respective sectors would improve take up and completion of apprenticeships and, thereby, serve the UK's long term interests.

7.2 Imperatives behind framework flexibility

The unanimous call by SSCs for greater flexibility in framework design and implementation could easily be viewed as being simply a random, unstructured, and pragmatic response to day-to-day economic pressures in their sectors.

This research leads the authors to believe that such a conclusion would be unjustified, even dangerous in terms of the long term interests of the UK workforce.

There is a very fine line to be drawn between self-interested pragmatism on the part of employers and their SSCs, and the genuine desire on the part of the SSCs and most of their employers to acquire and retain appropriately skilled employees.

One of the analytical pitfalls that may lead us into unsafe generalisations is that of regarding the SSC network as representing identical units of occupational skill by type and level.

SSCs represent highly diverse sectors (and sub-sectors) each having very different profiles of skill, qualifications and career progression.

This, largely unrecognised, diversity lies at the root of much of the confusion as to whether flexibility in apprenticeship frameworks is justified or not.

As a crude, initial representation of this diversity, and of its potential effects upon apprenticeship frameworks, Pye Tait has developed a simple "typology" of SSCs. The objective was to illustrate the different structures and employee/employer needs

that may lead to very different requirements of frameworks.

The typology could be developed to several levels of sophistication but, in its basic form, serves to cast light on why flexibility may be the only way to meet varying needs.

7.2.1 Typology

As far as apprenticeships are concerned, the authors believe that there are three distinct types of SSC. Making this distinction may assist in not only understanding their specific circumstances but in identifying possible ways in which they may be assisted.

The three "types" of SSC are not so much types of organisation as different forms of industrial and occupational environment. The typology generalises in order to make the point but the reader should also bear in mind that **the typology is not simply about SSC footprints but about the recognised sub-sectors within them.**

Sub-sectors within a single SSC may well have very different profiles.

The broad types are as follows:

Type 1 - High labour input workforces

Type 2 - Intermediate skill workforces

Type 3 - Technical & professional profile workforces

Type 1 - High labour input workforces

These are SSCs whose workforce profile leans more towards the unskilled or operative/semi-skilled levels, perhaps level 1/level 2. The workforce may have greater priorities for entry level skills and competences such as basic skills.

Employers in many (if not all) of these types of sector have issues about the framework design, but more fundamentally, do not necessarily recognise the current apprenticeship (at either level) as a product entirely appropriate or conducive to their sector's more immediate needs.

In many cases an apprenticeship was only developed due to the change in emphasis of funding towards apprenticeships and away from funding NVQ work-based learning, recognised as "Other Training" (which is still available but mainly for young people with learning or special needs).

The lack of funding for NVQs for other employees is a major reason why the SSCs have developed apprenticeships. The apprenticeships tend not to be taken up by employers because they are too demanding.

For these types of sectors the inflexibilities and barriers inherent in the current system represent serious impediments to their achieving higher workforce skills. Inflexibilities in the current structure of apprenticeships act entirely against national education and training objectives by effectively excluding very large numbers of poorly educated and trained people from qualifications and basic and key skills.

Type 2 - Intermediate level skill workforces

Within this type lies a large number of SSCs whose workforce profiles reflect more of a bulge around the level 2/level 3 and level 3/level 4 areas. In this instance the apprenticeship seems to be better accepted but with strong caveats.

The caveats centre on the difficulties caused by the lack of contextualisation of the key skills (ie the inability to embed the key skills within the NVQ as is allowed in Scotland) and the requirement for external tests. These can be coupled with the dissatisfaction caused by the technical certificate where in some instances the underpinning knowledge element is considered to be well taken care of within the NVQ, which leaves the Technical Certificate overlapping with the NVQ, causing extra assessment burden.

Apprenticeships work reasonably well in this type of sector but the barriers and inflexibilities still cause considerable problems and act to exclude key skills from (in England) between two thirds and three quarters of all those who start an apprenticeship (not counting, of course, those that do not begin such a programme).

Type 3 - Technical & professional profile workforces

In this type fall those SSCs whose workforce profile curve leans more towards the technical, associate professional and professional levels (3, 4 and 5). These SSCs find that the packaging constraints of apprenticeships do not allow for their sector's needs.

The level of qualification permitted as a Technical Certificate, for example, tends to be at a lower level than the employers require and in some instances they want to have a higher qualification than is permitted, to pull apprentices more towards that technical and higher level.

Naming and branding is also a particular problem for this type of sector, where employees tend to regard themselves as in a different category to "trade apprentices".

There may appear to be exceptions to this tripartite model as some of the sub-sectors represented by an individual SSC can encompass at least two different types.

The model still stands, however, as the wide variations in sub-sector need very often force the SSC to construct artificial

mechanisms within frameworks to meet a number of very different sector requirements.

There are complications, too, with the dichotomy of large companies versus small and micro businesses (dubbed SMBs by Pye Tait in a recent Basic Management Model study) that dominate many sectors.

Large companies are more likely to have training managers or similar structures and very often have training models and schemes that work for their company. In those instances introducing apprenticeships gives the employer the impression of overlap and duplication with existing schemes, but as we have seen these issues can be dealt with and are opportunities, with sufficient resources and flexibility, for the SSC to map existing employer arrangements.

It is more difficult for the SMBs (1 to 49 employees). Especially when research has shown that providers tend to go back to the same employers when "selling apprenticeships" rather than struggle with unknown, new sets of employers.

7.2.2 The Scottish model preferred

The three broad sector typologies outlined above provide a strong rationale for change to the apprenticeship framework.

The model currently used by most sectors in Scotland - ie **embedding the core skills within the SVQ, no external tests and no technical certificate requirement** - is perceived by SSCs as better meeting employers' needs.

This is because the Scottish model as a whole indicates greater simplicity and more freedom. The model allows the flexibility for more sectors and sub-sectors to develop and operate successful frameworks owing to the fact that two of the three main barriers listed above are not present.

It is important to note that this report is not concluding that the apprenticeships are in an ideal format in Scotland. Clearly the report for the Scottish Executive suggests that improvements are due, including in provision and funding allocations, as well as the fact that perhaps a quarter of all available frameworks are not being used at all warrants further investigation[50].

7.2.3 Employers

All the SSCs and sector bodies interviewed mentioned their employers were unhappy with the apparent lack of ability to have more of their requirements taken on board.

All SSCs stated that their employers regretted the lack of flexibility and sector-focus of the frameworks on offer for the different reasons précised above.

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[50] this is already being considered it is understood by MAIG – as a future action. Action Plans are being drawn up by the Highlands and Islands Enterprise and Scottish Enterprise networks regarding improving completion rates.

One example stands out as summarising the problems that SSCs tend to have in working within the current framework constraints

In the case of this sector, the employers' preference is for apprenticeships for over 25s (due to the way in which the occupational structure of the sector is slanted). Therefore the industry has always wanted a scheme that allows adult entrants.

The apprenticeship framework is available through Apprenticeships (Level 2) and Advanced Apprenticeships (Level 3)but funding is not available for the older Apprentices. Apprenticeships are therefore not widely used.

The issue is that statutory legislation does not permit anyone under 21 to drive large goods vehicles, but they can drive at 18+ so long as they are part of an approved training scheme. The SSC's "Young Driver Scheme" is, in effect, a subset of the Apprenticeships at level 2.

The LGV training plus the NVQ and the Key Skills produces an Apprenticeship, but historically, there is no funding for this age group through an Apprenticeship at level 2.

Family businesses are having to meet the costs for their relatives to learn to drive. But, thanks to the Young Driver scheme, there is public funding for training. With LGV drivers there is the issue of how to place the licence training around the apprenticeship framework. Statutory elements like this need to count as an outcome, the SSC would argue.

The dissatisfaction with the apprenticeship by employers has, to some degree, been better met in the last year through the work, in England for example, by the Apprenticeship Task Force with the introduction of programme led apprenticeships or approved employer schemes. **These all indicate that there is an acceptance of the need for change towards a much more flexible system**.

They recognise that greater employer engagement would result in greater understanding, familiarity with and promotion of the Apprenticeship concept and that is a welcome bi-product of such an activity.

8. RECOMMENDATIONS FOR CHANGE

Recommendations derived from the research and discussions conducted for this study have been divided into three main sections:

- Strategic Issues
- Design and Development Issues
- Issues Internal to the SSCs

8.1 Strategic Issues

Action to ensure that all SSCs are more closely involved with the overall policy making process. This, both as individual organisations and through the SSDA and the **Apprenticeship Board** set up by the SSDA. SSCs have extremely close links to their sectors and are able to bring deep understanding of employer and employee needs to all elements of the apprenticeship system

This means ensuring that **SSCs are involved at the start** with any development of new or enhancements to the current apprenticeship concept, as well as any other such developments that impact on and relate to apprenticeship frameworks including the proposals contained with the Tomlinson 14- 19 Reform

This also should involve policy on funding priorities that take into account workforce demographics and reflect sector differences such as in age profiles and whether apprenticeships are appropriate for all such cohorts. **Sector Skills Agreements are a priority to aid this process.**

Simultaneously, consideration of ways in which the overall process of initiative design and development can be streamlined and improved.

Action to create and implement more effective links between the main partners but especially between the SSDA, the Apprenticeship Board, the SSCs, the Apprenticeship Task Force, and the LSC[51].

8.2 Apprenticeship Design and Development Issues

The most urgent need is to arrest and reverse the decline in advanced apprentice numbers in England and to increase numbers across all of the nations of the UK

- **Urgent action to enable SSCs to embed Key Skills** within the NVQ or vocational qualification within the apprenticeship rather than have it continue to be

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[51] The existence of SSASCOT enables such links in Scotland.

separately evidenced and certificated. This provided that mapping can be developed to show the links to the qualification and in a manner which is sufficiently rigorous to meet employer demands within the sector

Allowing key skills to be assessed just via an embedded approach would benefit sectors by allowing the crucial skills to be assessed in a directly **relevant context and manner** but would also benefit the nation by removing a major cause of non-completion and of employer non-engagement. Ultimately, use of diagnostic tools at the initial assessment stage to identify where key skills are truly required (in addition to the proxy system) would be more cost-effective and appropriate than the current blanket ruling that the mandatory key/core skills must be separately certificated/ assessed.

- **Urgent action to remove the externally set and marked tests for key skills**. The end-test approach is counter-productive and should be discontinued as soon as possible, not least as it only remains in England.

SSCs need the ability to be able to construct apprenticeships 1) when they are required by the sector and 2) that more accurately meet employer needs.

This means the potential to include different NVQs and vocational qualifications, and combinations thereof. What is needed is a wider definition of qualifications linked to National Occupational Standards, to allow for versatility and 'multi-tasking', a common and modern day trend for many sectors.

- **Removing the rigidity associated with the NVQ and vocational qualification requirements in the framework (particularly in England)**. SSCs are extremely aware of the needs of their specific areas of responsibility and know that another major barrier to employer take up is the degree to which employers see the qualification as duplicated, irrelevant or over-concentrated.

Certain sectors - mainly the traditional ones - have designed and used specific qualifications for many years. Employers know these qualifications and, by and large, are happy that they provide a good product.

In other sectors, however, the "single qualification" approach is not as useful to employers. In these sectors the need may be for several areas of skills or competence not covered by a single, existing qualification. In these sectors SSCs need the ability to design high quality apprenticeships around smaller elements of qualifications and possibly including two or even three small qualifications.

- **Allowing full NVQs and vocational qualifications to be replaced in a framework by any combination of units of**

occupational standards which meet employer needs - the longer term plan for unitisation and the framework for achievement to enable credit transfer is recognised as a useful aid here.

- Changes to the **Technical Certificate requirement to allow inclusion by choice according to the sector**. Where preferred SSCs should be able to include a vocational qualification at an appropriate level relevant to the sector and it's vocational education requirements.

- Allowing an Apprenticeship to include **an NVQ or similar vocational qualification at any level** - thereby enabling sectors to deliver Level 4 qualifications or apprenticeships as appropriate (packaging that meets the sector's existing workforce qualifications profile)

All of the above would be founded on three major principles:

1. There would be stringent quality assurance through SSC own systems and officers, including for the completion certification process;

2. Assessment of components of future Apprenticeships frameworks, including those that recognise employer training schemes and are mapped to the SSC framework(s), would strictly adhere to each SSC's overarching assessment strategy and systems;

3. A sector focus to ensure not only that each framework is fit-for-purpose but that, in being so, it directly meets employer needs specific to that (sub)sector.

8.3   Issues Internal to the SSC

A review of the information available from current records (such as the Individual Learner Record as used in England) and any future discussions on changing the data for such records on apprentices and learners should involve the SSDA and SSCs.

The data-sharing practice involving SSCs should be incumbent upon all stakeholder organisations responsible for such records across the UK.

- **Urgent consideration should be given to ensuring that there is data-sharing of information to help SSCs with better intelligence regarding apprentices/learners**.

The SSC and provider role is not one that is deeply embedded as yet across the SfBn and much could be done to help that critical link in the Apprenticeship supply chain.

Whilst there are clear understanding about the role between providers and other organisations, the SSCs feel that a better

relationship with providers and themselves would be very useful and that some national or sectorally managed liaision mechanism would be very rewarding for both SSC and provider network.

Similarly, greater working with inspection bodies such as Ali, Estyn and other equivalents, would be very beneficial in terms of being able to build up knowledge and share best practice.

- **Action to improve learner and provider feedback systems**. A cost-effective mechanism would be for SSCs to adopt a similar approach to the on-line feedback tool as per the website developed for SEMTA. By setting up feedback areas on SSC websites it would enable or facilitate better sharing of best practice from providers, to help those providers allocated lower grades from the inspection Bodies with the areas they need to improve. This should be increased to further involve employers in whichever role they play.

The SSCs believe very strongly that the Completion Certificate System remains with the SSC. The SSCs are not at all convinced that converting an Apprenticeship into a qualification in its own right would provide any added value, and would in fact result in yet more change and would be perceived as more "tinkering" to employers. As a related issue it would also negate the need for the Completion Certificate which works well for a number of reasons.

- **Ensure the completion certificate system remains with the SSC as it is a major feedback loop, tool to link with providers[52] and provides that final piece of control for the SSCs.**

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[52] A linked recommendation that came out of the Dissemination Event held in July 2004 was that all SSCs bring up the completion certificate and associated quality systems up to a position of strength akin to that of other systems such as in Standards work.

9. APPENDICES

9.1 SSC / Sector Body Interviews

The following SSC/ Sector Body interviewees took part in this research

Asset Skills	Chris James
Automotive Skills	William Blacklock Tony Moore
Construction-Skills	Sheila Hoile
Cogent	Gordon McNeil
Council for Administration	Kelly Saliba
Energy & Utility Skills	Adrian Peters
e-skills UK	Karen Price Christine Donnelly
EYNTO	Richard Durance Olivia Borthwick
FFINTO	Jackie Bazeley Tony Watkinson
FSNTO	Tom Caple Jean Terry
Go Skills	Vicki Ball Matthew Scarff
Improve	Derek Williams
Institute of Customer Service	David Parsons Beverly Dann
Lantra	Karen Lawlor Michael Smith
People 1st	Simon Turl Phil Raynsford
Proskills	Andrew Abaza, Carol Walsh Richard Bloxham
SEMTA	Ian Carnell

Skillfast-UK	Charles Hubbard
Skills Active	Mike Bourke
Skills for Health	John Rogers, Jonathan Evans Jenny Wall
Skills for Justice	Lesley Dunlop Breda Leyne
Skills for Logistics	Ian Hetherington Rachel Taylor
Skillset	Karen Turvey
Skillsmart	Judith Meyrick
Summitskills	Lindsay Gillespie Graeme Dryden

9.2 *FURTHER DATA FOR ENGLAND*

Gender

In broad terms advanced apprenticeships are dominated by males while apprenticeships (FMA) tend to be dominated by females.

Gender Participation Rates in Apprenticeships

	AMA m	FMA m	AMA f	FMA f
2000	53.0	44.0	47.0	56.0
2001	53.0	45.0	47.0	55.0
2002	57.0	46.0	43.0	54.0
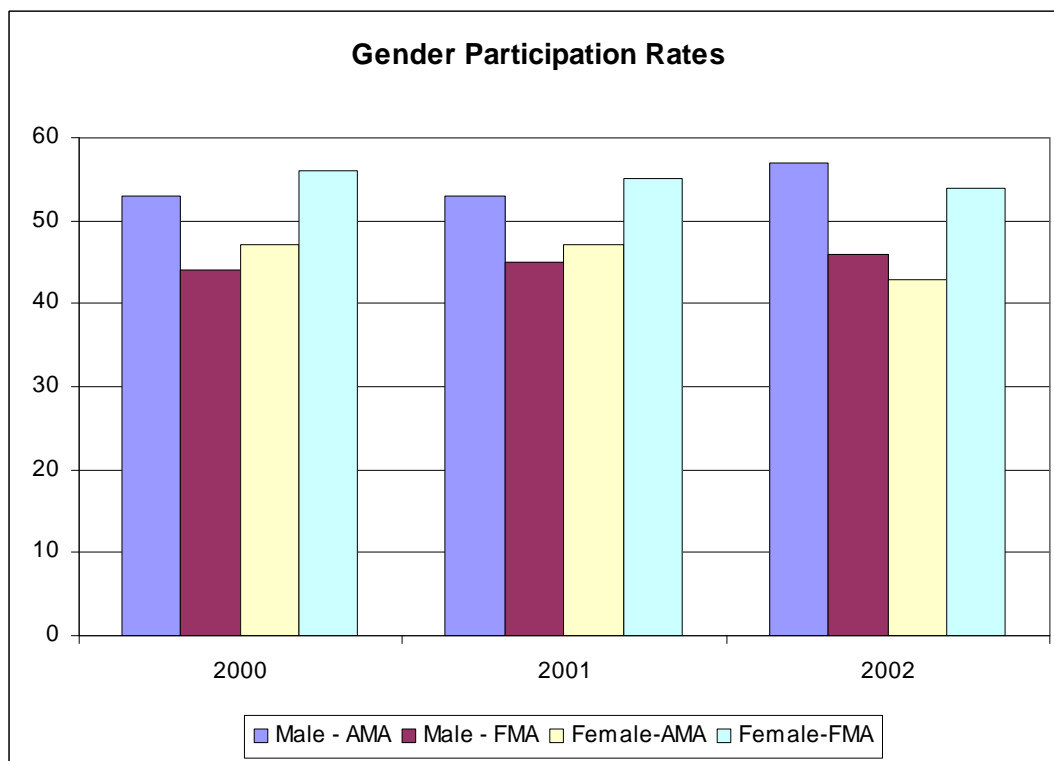
Apprenticeships make up roughly three quarters of all work-based learning

Apprenticeships as % of Total WBL

Both advanced apprenticeships and apprenticeships (perhaps unsurprisingly) show higher rates of positive outcomes and much lower rates of unemployment following training than other types of training.

Although this is perhaps linked to the way in which the apprenticeship system places a premium on employment it may well indicate one of the major strengths of this type of "qualification" over other types of post-compulsory learning.
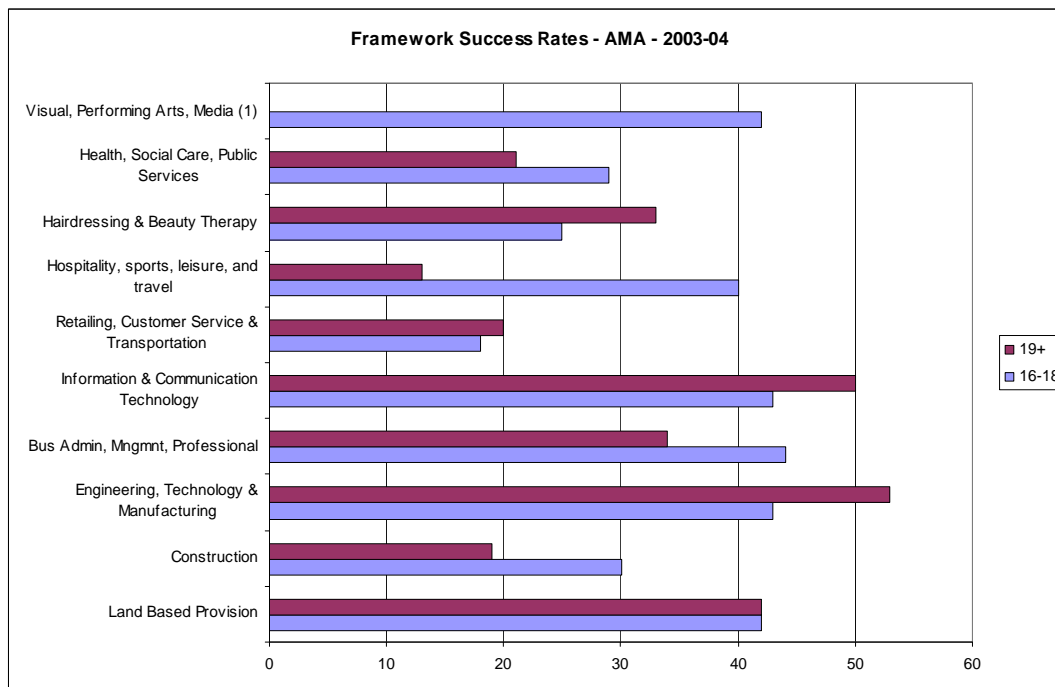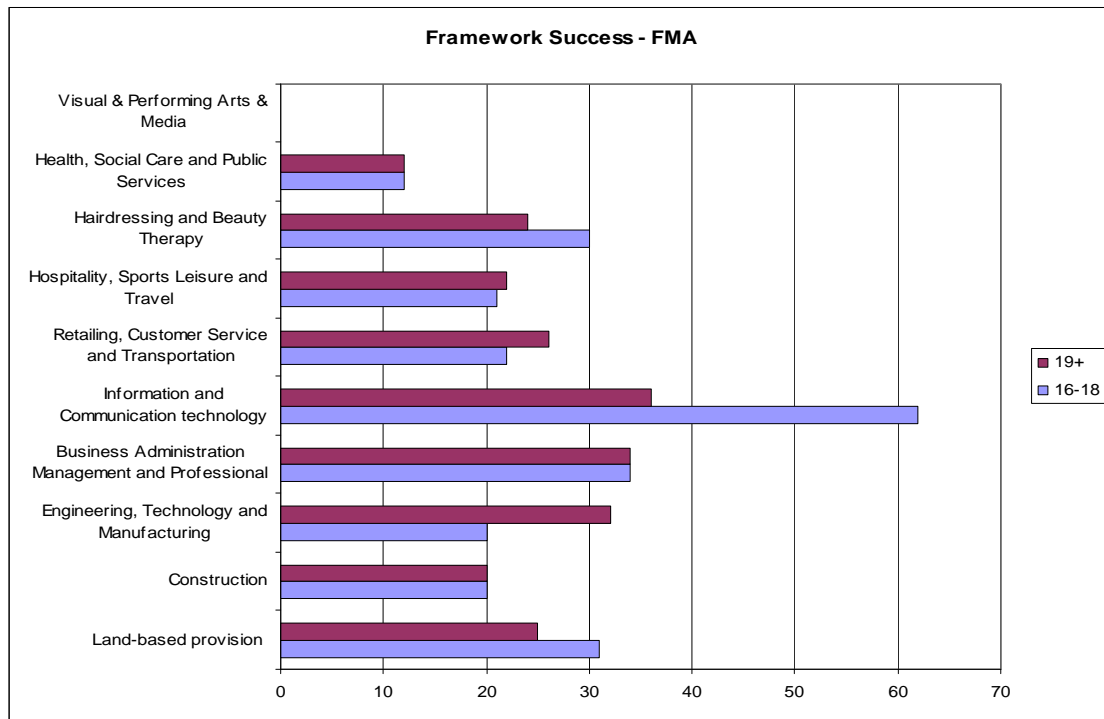
Outcomes for Achievers (%)
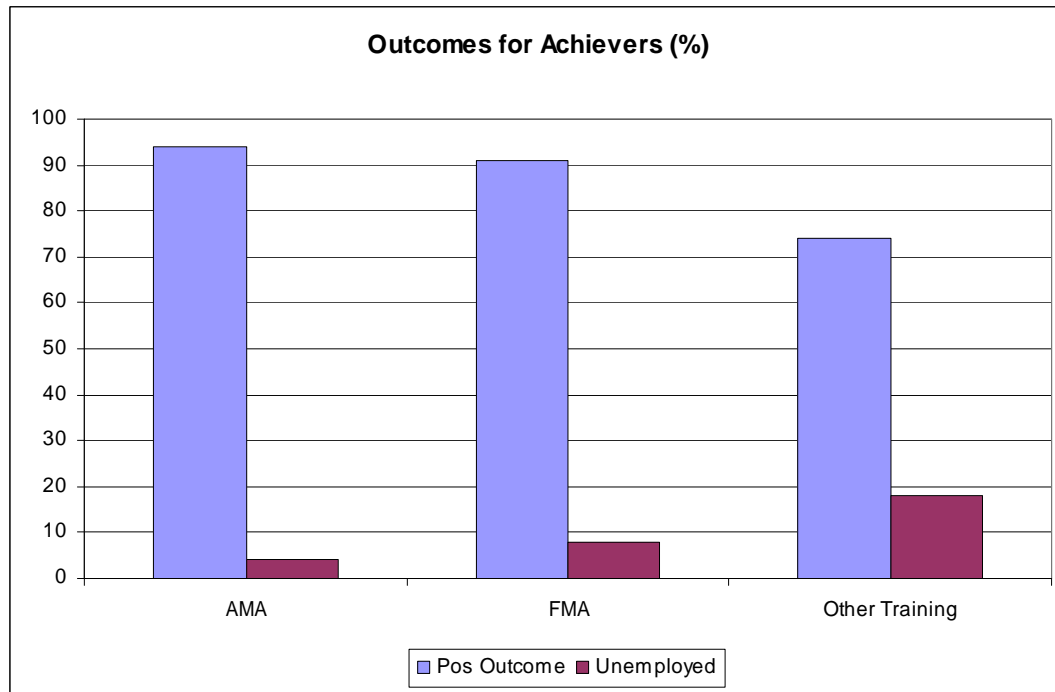
Success Rates in LSC-Funded Work Based Learning Provision

All charts are for period 1 to 3 2003-2004

Source - ILR 2004
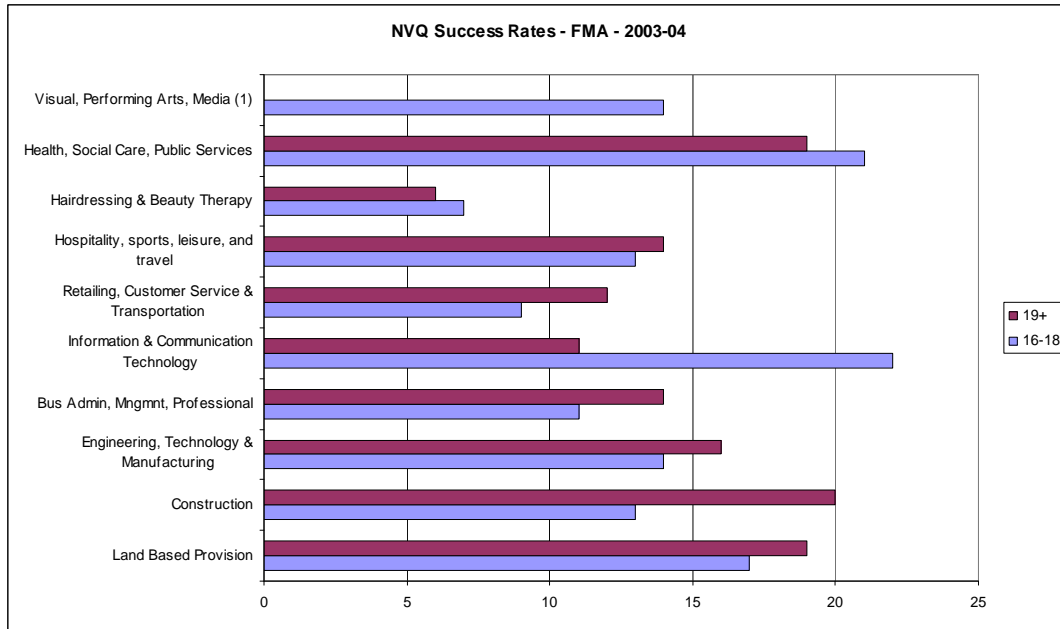
Framework Success Rates - AMA - 2003-04

Framework Success - FMA

Foundation MA

NVQs only - FMA

NVQ Success Rates - FMA - 2003-04
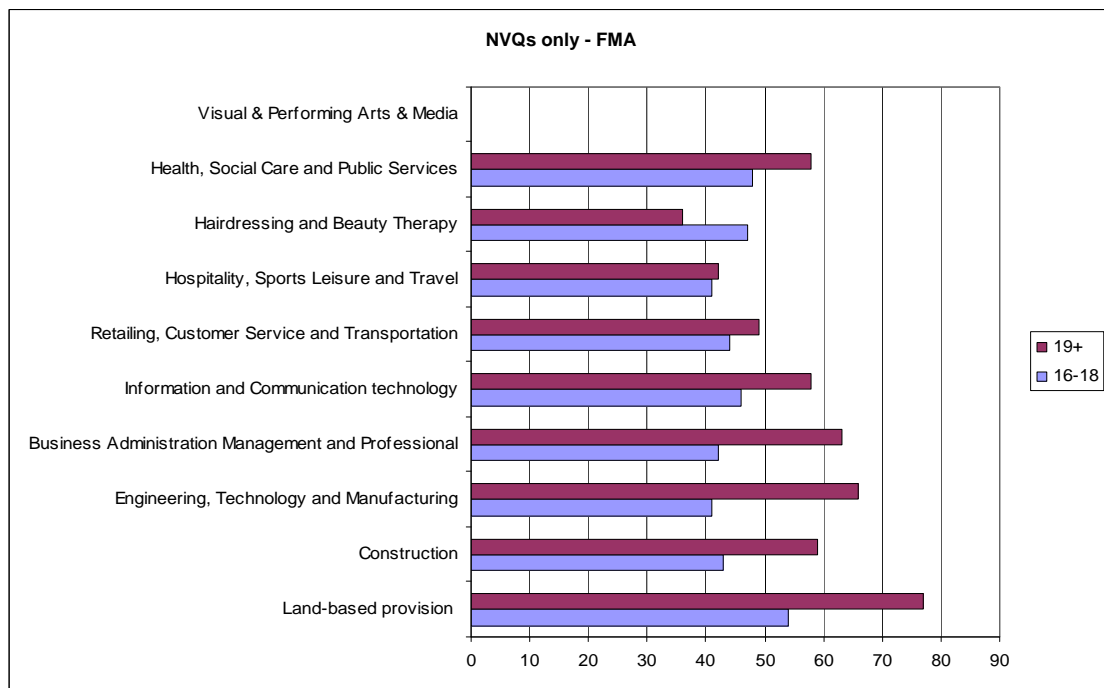
9.3   Summary of apprenticeship frameworks for the UK

The tables below summarises the differences across the four countries of the UK at level 2 and level 3. In this, they illustrate the difficulties employers face in establishing a UK perspective on apprenticeship provision.

Apprenticeships at level 2

	Scotland	**England**	**Wales**	**N Ireland**
Name	n/a	Apprenticeships	Foundation Modern Apprenticeships	Jobskills - Traineeships
Age range	-	16+	16-24	16-24
NVQ level	-	2	2	2
Minimum Key Skills	-	Communication and Application of Number at Level 1 SSCs may add additional key skills (eg, ICT, Improving Own Learning and Performance, Problem Solving and Working with Others)	Communication and Application of Number at Level 1 SSCs may add additional key skills (eg, ICT, Improving Own Learning and Performance, Problem Solving and Working with Others)	
Key Skills testing	-	Yes	No	No
Technical Certificate	-	Optional	Yes[53]	
Funding structures	-	Divided between 16-18 and 19-24+ age bands	Not age structured	-----
Stakeholder organisations	-	DfES; QCA; Awarding Bodies; SSDA; LSC; National Contracts Service; Adult Learning Inspectorate; Apprenticeship Task Force	National Assembly for Wales; Curriculum and Assessment Authority; Awarding Bodies; SSDA; Education and Learning Wales; Estyn; Careers Wales	Department for Employment and Learning; Council for the Curriculum, Examinations and Assessment; Awarding Bodies; SSDA; The Education and Training Inspectorate

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[53] To be incorporated in Wales

Apprenticeships at level 3

	Scotland	**England**	**Wales**	**N Ireland**
Name	Modern Apprenticeships	Advanced Apprenticeships	Modern Apprenticeships	Jobskills - Modern Apprenticeships
Age range	16+	16+	16+	16+
NVQ level	3 or above	3	3 or 4	3
Minimum Key Skills	All - 'core skills' - unless can be mapped to SVQ/NVQ units, must be separately assessed/certificated	Communication and Application of Number at Level 2 SSCs may specify additional key skills (eg, ICT, Improving Own Learning and Performance, Problem Solving and Working with Others)	Communication and Application of Number at Level 2 SSCs may specify additional key skills (eg, ICT, Improving Own Learning and Performance, Problem Solving and Working with Others)	
Key Skills testing	No	Yes	No	No
Technical Certificate	No	Yes	Yes	
Funding structures	Divided between 16-18, 19-24 and 25+ age bands Minimum amount 16-18: £4,000 Maximum amount 16-18: £8,500	Divided between 16-18 and 19-24+ age bands Minimum amount 16-18: £4,736 Maximum amount 16-18: £14,560	Not age structured	------
Stakeholder organisations	Scottish Executive; SQA; Awarding Bodies; SSDA; Scottish Executive - Scottish Enterprise Network and Highlands and Islands Enterprise; Modern Apprenticeship Implementation Group (MAIG)	DfES; QCA; Awarding Bodies; SSDA; LSC; National Contracts Service; Adult Learning Inspectorate; Apprenticeship Task Force	National Assembly for Wales; Curriculum and Assessment Authority; Awarding Bodies; SSDA; Education and Learning Wales; Estyn; Careers Wales	Department for Employment and Learning; Council for the Curriculum, Examinations and Assessment; Awarding Bodies; SSDA; The Education and Training Inspectorate

9.4 Costs & Funding

An average figure for the cost of an apprenticeship is not available as the funding paid to training providers varies according to the length of stay, apprenticeship framework, the occupational sector, the age of the apprentice and from year to year.

In 2001-02 payments by the Learning and Skills Council to learning providers for AMAs and FMAs amounted to approximately £432.5 million but this does not include other costs such as administration, learner expenses or publicity.

Different sectors receive markedly different funding. The funding rates for those in learning on MAs 2002-03, and completing training, are based on the following:

A new mechanism for funding in England has been derived and is a flat rate by activities divided how long providers feel the apprentices will take to complete the technical certificate, the key skills and the NVQ.

It is understood that the rates given below have now changed according to new information set out by LSC. Nonetheless it gives indications of the variances already present in the system.

Advanced modern apprenticeship	*Learners aged 16-18 years*	*Learners aged 19-24 years*
Occupational Sector	Total Funding (£)	Total Funding (£)
Agriculture	6,081	4,061
Construction	13,783	7,685
Engineering	14,560	8,850
Manufacturing	13,135	8,364
Transportation	11,191	7,423
Management and Professional	6,981	4,304
Business Administration	5,822	4,077
Retailing and Customer Service	4,736	3,552
Leisure, Sport and Travel	5,498	3,834
Hospitality	5,316	3,552
Hair and Beauty	6,657	4,061
Health, Care and Public Services	8,181	5,825
Media and Design	9,107	4,993

AMA Funding by Age Group and Sector
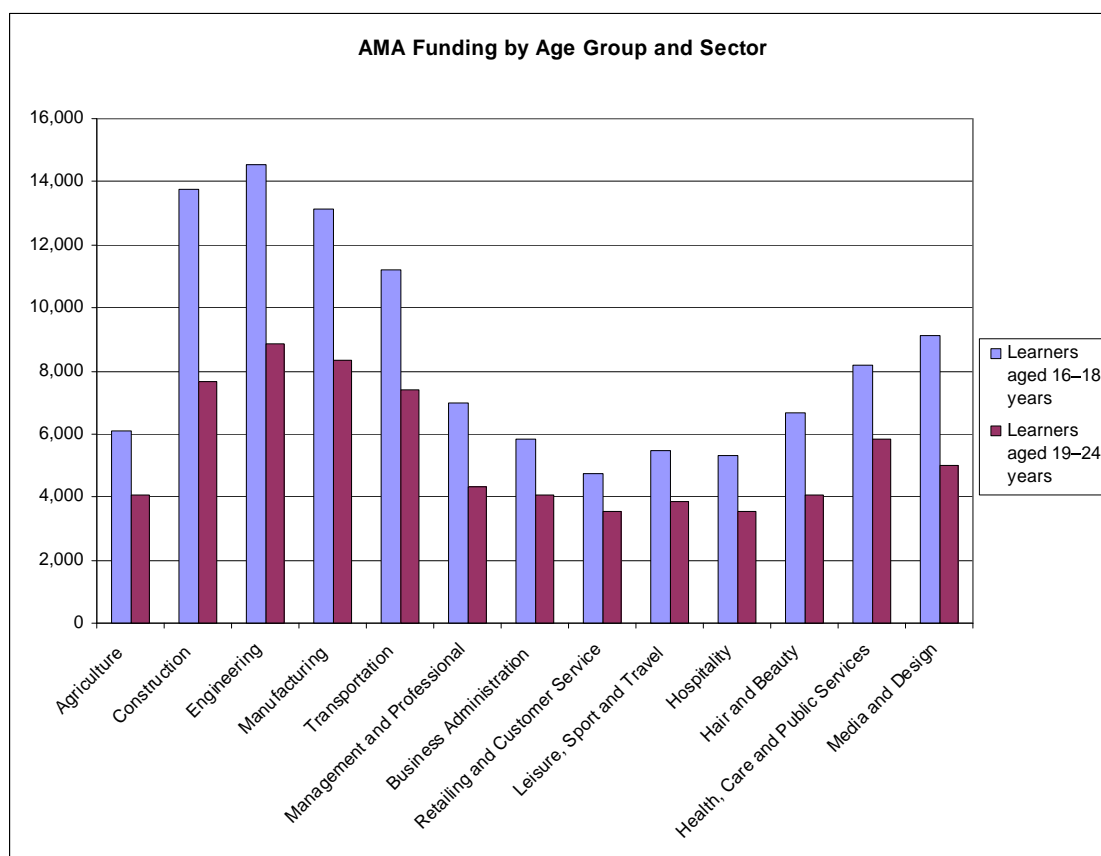
Foundation modern apprenticeship	Learners aged 16-18 years	Learners aged 19-24 years
Occupational Sector	Total Funding (£)	Total Funding (£)
Agriculture	4,587	2,379
Construction	5,630	3,641
Engineering	6,579	3,411
Manufacturing	4,595	3,252
Transportation	6,878	3,670
Management and Professional	4,117	2,467
Business Administration	3,717	2,353
Retailing and Customer Service	3,018	1,829
Leisure, Sport and Travel	3,586	2,110
Hospitality	3,018	1,829
Hair and Beauty	5,622	2,845
Health, Care and Public Services	3,586	2,379
Media and Design	4,000	2,379

FMA Funding by Age Group & Sector
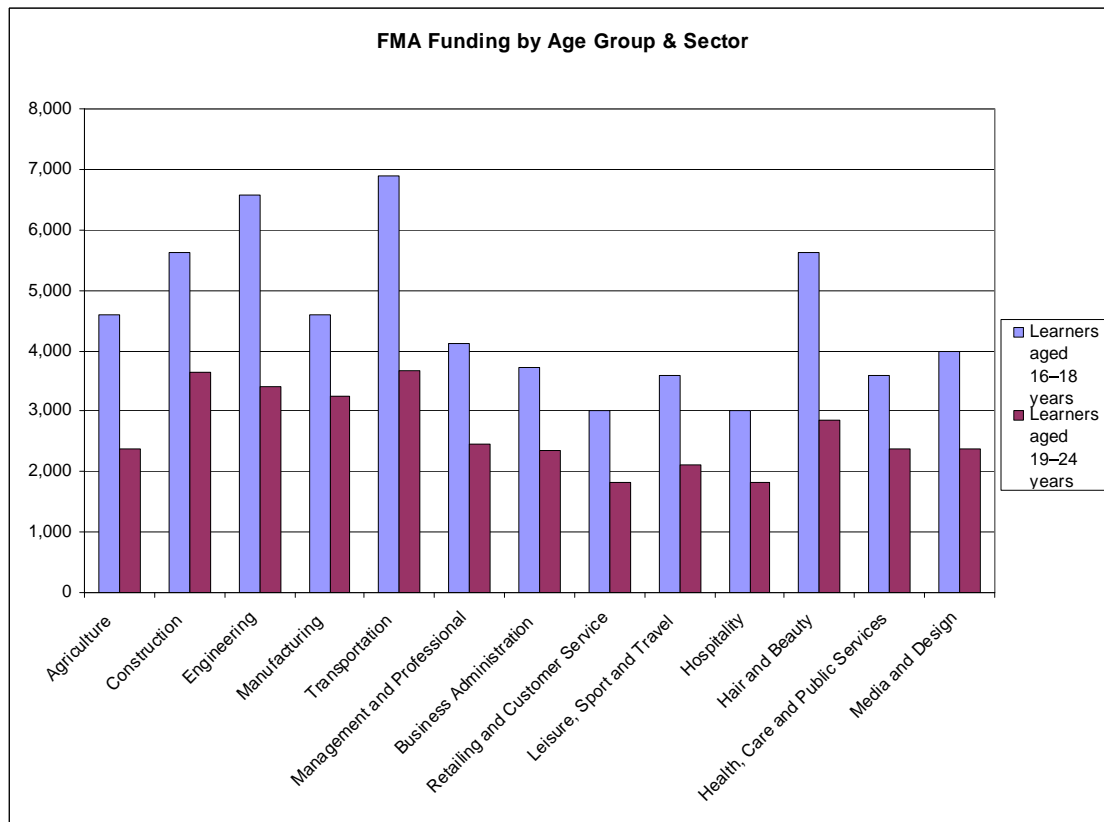
Scotland

Modern Apprenticeship Framework Values 2004/05

	Learner age group		
	16-18	*19-24*	*25+*
	Total Funding (£)	Total Funding (£)	Total Funding (£)
Group A **Arts & Entertainment** **Call Handling** **Customer Service** **Sales/Telesales** **Signmaking**	4,000	2,000	1,000
Group B **Animal Care** **Beauty Therapy** **Barbering** **Business Administration** **Environmental Conservation** **Floristry** **Forestry** **Housing Management** **Information Technology** **Insurance** **International Trade**			

Photography **Procurement** **Providing Financial Services (Banks, BS)** **Residential Estate Agency** **Retail** **Road Haulage & Distribution** **Sport & Recreation**	5,500	3,000	1,500
Group **C** **Advice & Guidance** **Aviation** **Cleaning Management** **Clothing Manufacture** **Corrugated Packaging** **Craft Bakery** **Dental Nursing** **Food & Drink Manuf.** **Hairdressing** **Learning & Development** **Management** **Meat Industry** **Museum, Gallery & Heritage** **Personnel** **Sea Fishing** **Security Systems** **Textiles** **Transport Technical Support** **Travel Services** **Warehousing & Distribution**	6,000	3,000	2,500
Group D **Accounting** **Agriculture & Commercial Horticulture** **Agriculture & Garden Machinery** **Amenity Horticulture** **Early Years Care** **Equestrian** **Health & Social Care** **Health & Safety (Occupational)** **Hospitality (exc. Customer Service)** **IT Services** **Operating Dept Practice** **Pharmacy Services**	6,500	3,500	3,000
Group E **Automotive (Parts & Sales)** **Broadcast, Film, Video & Multimedia** **Electricity Distribution** **Furniture Manufacturing** **Gas Industry** **Glass Industry** **Lab Technicians** **Metals Industry** **Printing**	7,000	3,500	3,000
Group F **Automotive (Repair & Maintenance)** **Construction** **Electrotechnical** **Heating, Ventilation, A/Con, Refrigeration** **Operating IT Systems** **Plumbing**	7,500	3,500	3,500

Group G **Chemical Manuf & Processing** **Engineering** **Engineering Construction** **Oil & Gas Processing** **Paper & Board Manuf.** **Polymer Processing** **Telecommunications**			
	8,500	4,000	4,000

Northern Ireland

The **funding arrangements** for Trainees in NI are outlined below.

Occupational Grouping	Net Weekly Training Fee	Output Related Funding		Training Weeks Supported
		NVQs and Key Skills	Employment	
A	25	600	300	52
B	35	1,000	500	65

In addition to Training Fees paid directly to the training provider, Trainees are entitled to a weekly training allowance of £40 per week, covering both 16 and 17 year olds. Once trainees reach 18 they transfer to a benefit-based training allowance.

Training Fees for Modern Apprentices is released on the basis of an initial start payment followed by further releases at key stages during the apprenticeship. Total funding available to Modern Apprentices who have progressed through the Traineeship route is £2,200 for Group A occupations and £3,800 for Group B. Modern Apprentices who have not completed a Traineeship attract a higher level of funding, £4,400 for Group A and £8,300 for Group B.

Wales

Details for funding rates have been requested from Elwa and the information they provide is as follows:

"Our contracts specify the sectors in which providers can operate but do not set specific volumes per sector (giving providers flexibility to respond to emerging demand). Similarly we do not breakdown contracts by age in the same way as is the case in England. We will, however, be able to report at the level of detailed required on a monthly basis from September onwards.

Also, contracts may become more prescribed (in terms of, for example, sector targets) from 2005/06 when it is planned that we introduce a new National Funding and Planning System (NPFS)".

ElWa – September 2004

9.5 British Chambers of Commerce - Skills in Business

The British Chambers of Commerce's Skills Taskforce was established to evaluate Government skills policy, to assess its strengths and weaknesses and present workable solutions. The Taskforce members were drawn from large and small businesses and the Chamber of Commerce network.

The Taskforce analysed the transition from education to employment, the Higher Education system, Modern Apprenticeships, adult skills, and funding arrangements. For each area the Taskforce has presented key recommendations, which are detailed throughout this report.

TASKFORCE RECOMMENDATIONS, April 2004

1
The current system operates on the basis that young people need vocational training post-16 or education. The Taskforce believes that everyone who stays in post-16 education still needs vocational training as well if they are to progress to a rewarding and productive career. It is very difficult to enter most Level 3/4 occupations, if at all, without formal training.

2
Full Time Further Education (FE) vocational training programmes should be combined with Modern Apprenticeships (MAs). **A route/programme should be developed to Level 4 achievement, which young people and employers can understand via a Level 4 apprenticeship programme. Consequently, a complete "vocational ladder" from Levels 1 to 5 would be in place.**

3
Level 4 NVQs should be combined with Foundation Degrees to form "Frameworks" similar to those at Levels 2, 3 and 5. Foundation Degrees would usually be part time but could also precede the NVQ training, which currently happens with Levels 2, 3 and 5 and also Programme-led MA.

4
There should not be a target for university admissions. The Taskforce does not agree that there is an imperative in the economy that Higher Education needs to expand or that competitive advantage in each country's HE can be measured by the % of GDP expenditure on it.

5
The Government must place greater emphasis on addressing the high drop out rates, which are as high as 45% at some universities and cost £250 million a year (Economist, June 2002).

6
The Learning and Skills Council (LSC) should consider an "account management" system for involving national employers. Small Business Service (SBS) and LSC staff should be provided with comprehensive information and training on local and specialist providers of training.

7
The LSC should set formal targets to ensue that employers are properly engaged in the process. Planning discussions and contracts between the LSC and providers should include employer engagement targets. **Each LSC should audit local provision against local employment and the full set of MA frameworks. A number of frameworks are not available to employers or young people in many regions**

8

The creation of an accessible and dedicated placing service for young people. This would develop a visible and high profile job matching and self-service employment service within a network of chosen Connexions centres.

9

There needs to be a **local systematic gathering of vacancies** for young people and a building of relationships with employers to enable a coherent system for monitoring the availability of apprenticeship vacancies.

10

Modern Apprenticeship (MA) Frameworks should not be altered artificially to meet any criteria for the content of the proposed Diplomas at Levels 2 and 3. The achievement of a MA should provide part or complete credit towards a Diploma according to the content of each Framework.

11

There must be a clear policy for workforce development with employers as the primary customer and there should also be a separate workforce development budget within the DfES/LSC funding arrangements.

12

The current funding available for those who want to achieve Level 2 must also be available for those who have reached Level 2 academic qualifications but want to move on to achieve a Level 2 vocational qualification.

13

Skills planning has suffered greatly in previous economic downturns. The Taskforce therefore recommends that the Government formulates a contingency plan to address what might happen during a period of economic recession.

14

The Taskforce believe that the workforce development budgets should be open to all employers and all accredited providers. This will allow training to more effectively reflect the needs of business.

9.6 Apprenticeships: international comparisons

- Germany - a strong apprenticeship tradition that continues to attract large numbers of young people and employers across all sectors of the economy

- Variation in the proportion of young people embarking on an apprenticeship: from two-thirds in the German-speaking countries, to a third in Denmark and the Netherlands, to between 10-15 per cent in France and the UK

- Across Austria, Denmark, France, Germany and the Netherlands a typical duration of 3.5-4 years for an apprenticeship

- Relatively uniform structure across apprenticeship provision: general education; technical education; and occupational skills and competences

- Greater emphasis across continental Europe on consistency, objectivity and reliability in assessment

- Responsibility for finding an apprenticeship typically rests with the young person

- Variation in provision for introducing students to career opportunities offered by apprenticeships

Research has reviewed the main characteristics of the provision, organization and financing of apprenticeships in a number of leading European countries - Austria, Denmark, France, Germany and the Netherlands - comparing these findings with current practice in Britain as exemplified by Modern Apprenticeship.

Perhaps the greatest contrast with British provision to date is provided by the German-speaking countries. These countries have a strong apprenticeship tradition, which continues to attract large numbers of young people and employers across all sectors of the economy. In these countries at least **two-thirds** of all young people embark on apprenticeship training. In Denmark and the Netherlands around a **third** of young people gain a vocational qualification through apprenticeships. In France the figure is between **10 and 15 per cent** of young people. This compares to figures for England and Wales of around **9 per cent for Modern Apprenticeship and 11 per cent for National Traineeships**.

In Austria, Denmark, Germany and Switzerland 'dual-systems' are in place, with trainees alternating between periods of study in college and periods of work in a firm and ultimately achieving a recognised occupational qualification. Traditionally, the length of the apprenticeship training period for each occupation has been fixed and specified by the relevant legislation. In Denmark, however, new arrangements stress flexibility and individualisation of training programmes within a statutory framework. The aim is to adapt to students' individual abilities, needs and interests, to promote high achievement and prevent drop-out. As a consequence, training periods are expressed in terms of minimum (1½) and maximum (4.5) years duration. The typical duration across each of these countries is 3½- 4 years.

In terms of the duration of apprenticeship programmes France and the Netherlands are closer to the newly announced framework for the UK. In France, apprentices are permitted to work for nationally recognised vocational qualifications at any level, extending to first degree level

and up to NVQ Level 5. These had previously only been available through full-time education. In the Netherlands vocational courses must be offered at four levels. The structure is designed to facilitate a switch from full-time college and part-time apprenticeship routes. The clear formulation of levels of training also allows those on the apprenticeship route to continue to a higher level of qualification, including vocational courses in Higher Education (up to NVQ Level 4).

Each of the countries considered here require apprenticeship training programmes to consist of three elements:

- **general education**
- **technical education**
- **occupational skills and competences**

Overall, between 70 and 80 per cent of an apprentice's training period is spent in the workplace, including time devoted to workplace training. The balance is divided roughly equally between general and more occupationally-focused technical education. Off-the-job education and training is ensured through compulsory attendance at publicly provided vocational colleges/institutions within the wider structure of upper-secondary school provision.

The introduction of Technical Certificates in the UK brought the balance of learning in the Modern Apprenticeship closer to the structure of that in continental Europe in terms of requirements for separately taught and assessed technical and general education. Occupational skills and competences are almost invariably assessed by practical tests and through oral examination conducted by a panel of (external) assessors.

In all six countries considered here, responsibility for finding an apprentice place rests with the young person.

Provision for introducing students to career opportunities offered by apprenticeships, however, varies tremendously. Provision is most comprehensive and systematic in the German-speaking countries. In Germany, for example, over the last two years of compulsory school careers teachers work through information packs, and other material that explains career options, the occupational structure and the training required in apprenticeships. There are also a variety of sites and sources of information on these matters from the internet targeted at young people (eg, the Chambers of Commerce provide sites listing all apprenticeship places offered locally in a range of recognised occupations).
Such guidance has traditionally been minimal in the UK.

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