
**Manchester City Council
Report for Resolution**

Report to: Economy Scrutiny Committee – 13 November 2013

Subject: Apprentice activities update & an investigation into other Core cities

Report of: Head of Regeneration

Summary

The purpose of this report is to provide an update on activities undertaken and planned by Manchester City Council to support apprenticeships. This includes information on specific initiatives to deliver apprenticeships both at Manchester and Greater Manchester levels.

The report provides additional analysis in response to two areas raised by Economy Scrutiny Committee in December 2012;

To undertake an investigation into other Core cities which have higher numbers of apprenticeship starts than Manchester. To consider what they do differently to encourage employers to create apprenticeships and young people to access them.

To also look at the problem of placements which are advertised as apprenticeships, but do not meet the necessary standards. For example those which do not provide sufficient or suitable training or require the apprentice to carry out work that is unrelated to the apprenticeship.

Recommendations

Members of the Committee are requested to note and comment on this report.

Wards Affected: All

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Background documents (available for public inspection):

- Economy Overview and Scrutiny Committee report on Support for Apprenticeship activity in Manchester, December 2012
- The Future of Apprenticeships in England: Next Steps from the Richards Review Appendix 2

1.0 Introduction

1.1 The purpose of this report is to provide an update on the current position in relation to apprenticeships and youth unemployment, including an update on the activities in Manchester and Greater Manchester to support young people.

Manchester City Council has a track record in developing provision to support young people into training and work and has established the Apprenticeships in Manchester group to take responsibility for apprenticeships in Manchester. Membership includes representatives from the City Council, the National Apprenticeship Service (NAS) and training providers. The group leads on testing and developing new models of engagement with young people and employers. It coordinates the delivery of apprenticeships and jobs with training through an action plan, maximising the use of national and local funding to support more young people into apprenticeships.

1.2 This activity has been compared with the approach undertaken by Birmingham and Liverpool City Councils, which have higher numbers of apprenticeship starts than Manchester, to consider what they do differently to encourage employers to create apprenticeships and young people to access them.

1.3 The report also provides an update on the national changes which have or will be introduced to improve the quality of apprenticeships. Changes have already been made to the figures collected by the National Apprenticeship Service and work is underway to support the development of quality apprenticeship frameworks which better meet the needs of employers and learners.

2.0 Background

2.1 Apprenticeships are central to the Government's skills policy: "Skills for Sustainable Growth" and are a priority at both Greater Manchester and Manchester level to addressing the skills issues of local residents and businesses. A report to this committee in December 2012 provided a detailed overview of apprenticeship activity in the city and Greater Manchester and provided a comparison of apprenticeship starts in Manchester and the other Core cities. The City Council's Economic Development Unit has contacted Birmingham, Sheffield and Liverpool City Councils in relation to their apprenticeship data and activity. Sheffield was unable to provide an update so detail has been included on the information sourced from Liverpool and Birmingham.

3.0 Youth Unemployment

3.1 Despite some large reductions in claimant counts, youth unemployment continues to be a major concern in Manchester and Greater Manchester. The latest DWP release for September 2013 shows that there are 4,500 JSA claimants aged under 24 in Manchester which is a decrease of 4.2% when compared to the previous month.

3.2 The number of long-term JSA claimants aged 18-24 reached its peak of 975 in September 2012. There is generally a spike in youth unemployment in September, as unemployed graduates and school leavers sign-on. The level remains high but is improving markedly, with 695 young people claiming for 12 months or more in

September 2013, a decrease of 5.4% (-40) compared to the previous month but a decrease of nearly a third from the previous year. (See Fig. 1) Decreases are likely to be in part due to some improvements in the economy and an improved Work Programme performance, particularly for young people but there are also fewer young people entering the Work Programme.

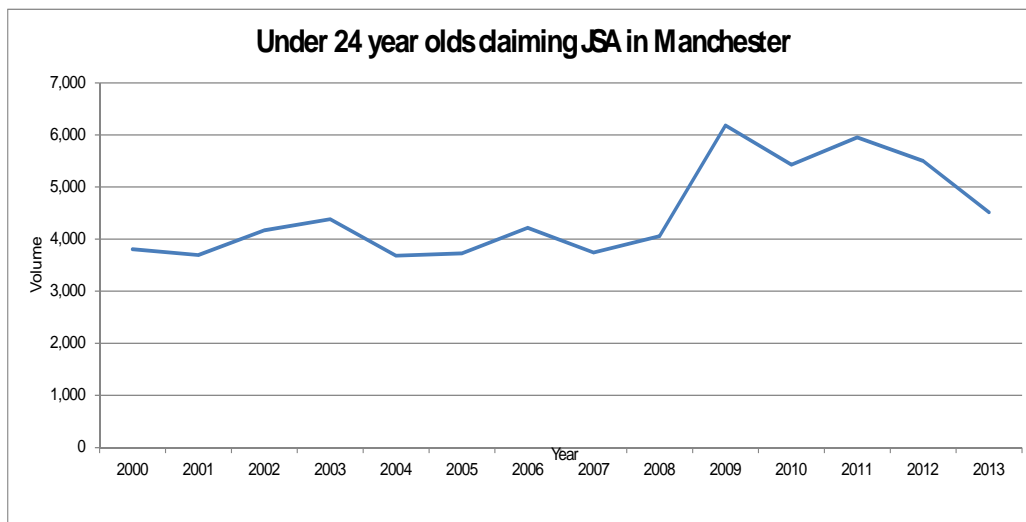


Fig.1

However, looking at long term youth unemployment statistics prior to the recession, figures show long term youth unemployment has risen significantly from 2011 (127.3%). (See fig 2)

3.3 Whilst the decreases to the unemployment rate for this age group are encouraging, there is still a need for improved support to move more unemployed young people into work with training and progression pathways to ensure that they benefit from and contribute to the employment growth in the City.

4.0 National Offer (Youth Contract)

4.1 There are a number of national support mechanisms in addition to the current mainstream-funded DWP support (Jobcentre Plus and Work Programme), which come under the banner of the Youth Contract, and are as follows:

- A wage incentive to employers taking on unemployed 16-24 year olds (£2,275 for a 6 month full time job)
- Work experience and sector based work academies via Jobcentre Plus
- Enhanced support from Jobcentre Plus for young claimants
- Additional support for disengaged 16 /17 year olds

No performance figures are currently available from DWP in relation to the national wage incentive; however the programme has significantly under spent in 2013.

4.2 The Work Experience offer was launched in January 2011 and is primarily designed to help young people aged 16 to 24 years to gain the experience they need

to secure a job before they become eligible for the Work Programme. Jobcentre Plus works with employers to offer young jobseekers the opportunity to overcome barriers to employment by offering them a work experience placement lasting two to eight weeks. Young people undertaking a work experience placement continue to receive their benefits and are expected to look for permanent work.

4.3 Sector-based work academies (SBWA) were introduced in August 2011 in England; they offer pre-employment training, work experience placements and a guaranteed job interview for recipients of Jobseeker's Allowance or Employment and Support Allowance (Work-Related Activity Group), in sectors with high volumes of current local vacancies. The Manchester Employer Suite has used the SBWA approach on some of its recruitment drives, including Premier Inn and Blue Arrow who provide domestic staff for the Manchester Royal Infirmary.

4.4 From April 2013, work experience and sector-based work academies have primarily been funded from the Youth Contract and are guaranteed for 18– 24 year old claimants only. Claimants aged 25 years and over will still be offered places on these schemes where local availability exists.

4.5 Recently the Government announced that young people who have left the Work Programme after two years without finding work will receive intensive support from Jobcentre Plus. This includes more regular appointments and direction into work related activity.

5.0 Greater Manchester (GM) Commitment

5.1 The GM Commitment, which commenced in May 2012, is a grant offered to employers that recruit a young unemployed person into an apprenticeship or a job with training (roles that are not apprenticeships that may involve learning at level 1). This is in addition to the National Apprenticeship Grant for Employers (AGE), which is designed to encourage SME's to take on apprentices. The NAS grant is not tied to the previous employment status of the person recruited. This enables eligible businesses to access up to £2,250 for each young person recruited (£750 AGMA grant and £1,500 grant from National Apprenticeship Service). The offer also enables young people to do an apprenticeship trial (supported by a training allowance to cover costs) with employers.

5.2 The offer of wage subsidies for employers is not currently acting as a large enough incentive for employers to substantially increase the number of young people that they employ through this scheme. Anecdotal feedback from employers is that they are keen to recruit young people with the right skills and attitudes, rather than use the wage incentive.

6.0 GM Apprenticeship Hub (£6 million):

6.1 As part of the City Deal Local Authorities and partners across GM have joined forces and set up the Apprenticeship Hub to increase the scale, breadth and quality of apprenticeship delivery. It also builds upon local activity across the following main objectives;

- Maximising employer take up of apprenticeships across key sectors.
- Improving the preparation for, and recruitment of, young people into apprenticeships and increasing the volume and proportion of advanced and higher apprenticeships.
- Establishing an apprenticeship offer in GM which includes frameworks and levels which are likely to employ young people and meets the needs of the GM economy.

The initial focus is on IAG and raising awareness of apprenticeship opportunities for businesses and young people.

7.0 Employer Ownership of Skills (EOS)

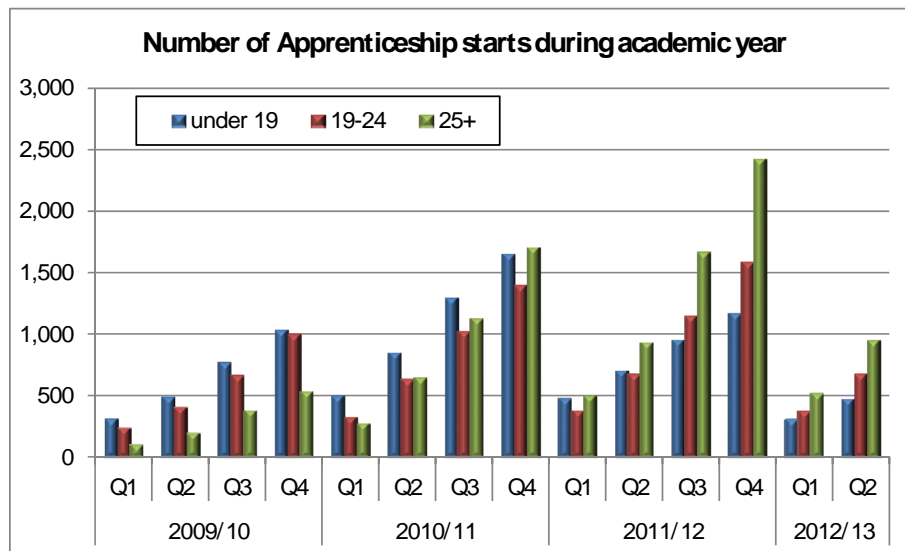
7.1 Employer Ownership of Skills pilots are designed to put employers at the Centre of the skills system. Led by MAN Diesel in Stockport the Greater Manchester Chamber was successful in securing round 1 funding. The EOS is heavily focused on creating new apprenticeship opportunities and is committed to delivering 1,850 qualifications to employees in businesses. The Chamber has set up a number of Employer Sector Skills groups which are focused on areas of high growth and potential for apprenticeship expansion. Examples of some of the work that is being progressed is contained in section 7 under Digital and Creative Media. Employers are generally using one of 3 ways to deliver apprenticeships: (1) employer selects a provider and works with them (2) employer co-delivers with a provider or (3) employer delivers themselves or becomes an accredited centre. More details are provided in the attached presentation.

8.0 The Manchester youth contract

8.1 'On –Track' is part of the government's Youth Contract to provide additional support for young people aged 16 -17 with low educational attainment to re-engage in education, training or employment which was commissioned by local authority area. In Manchester the project is managed in by Groundwork Trust. It is a package of intensive mentoring and support for eligible young people provided by established youth organisations including Groundwork, YMCA Training. Eligibility was originally based around young people with one or no GCSEs and bidders did not have up to date information on the numbers of young people who actually fell into this category. As a result, eligibility has since been extended to young offenders or care leavers.

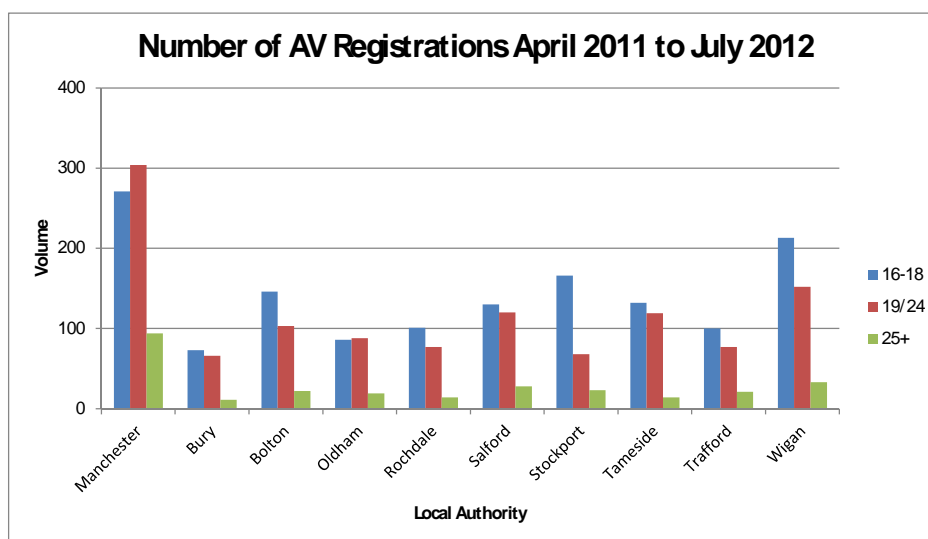
9.0 Apprenticeships – delivery and performance in Manchester

Fig.2



9.1 Figure 2 above shows provisional apprenticeship starts figures for August 2012 – January 2013 for Manchester. The total number of starts was 2,119 (all ages), an 8.9% reduction compared to the same period in the previous year. Of those starting an apprenticeship during this period, there were only 481 starters aged under 19, a 32.1% reduction compared to the same period in the previous year.

Fig 3



9.2 Figure 3 highlights the number of Apprenticeship Vacancies registrations on the NAS website for Manchester registrations for the period of April 2011 to July 2012. In Manchester a total of 672 registrations were made during this period. Broken down into the three age bands this works out as the following;

- 16 to 18 year olds - 271
- 19 to 24 year olds - 304
- 25+ year olds - 94

9.3 The following year saw the number of AV registrations increase significantly. Between April and July 2013 -14, there were 3,039 registrations, as compared with 672 in 2012. The challenge now is to convert initial Interest and AV registrations into more apprenticeship starts by Manchester young people.

9.4 Since January 2012, the Council's Communications team has put significant effort behind the Apprenticeships strategy. At first this focussed on businesses and the creation of apprenticeships vacancies to be filled by Manchester residents. The first campaign working with Manchester Evening News Business Week publication, NAS and training providers had the aim of creating 300 new apprenticeship vacancies in 100 days that reached and exceeded its target.

9.5 Subsequently, three phases of communication activity raising awareness and challenging the misconceptions amongst young people around apprenticeships has been coordinated at key times of the academic year and around Apprenticeships Week. This campaign has achieved a significant response and the call to action on our website, www.manchester.gov.uk/apprenticeships has been visited by almost 50k people. The Apprenticeships pages have been viewed over 100k times. The vast majority of the visits generated have come during the three phases of the campaign, highlighting the importance of consistent communications around apprenticeships to raise awareness.

10.0 Digital and Creative Media Apprenticeships

10.1 Within the digital and media sector there is an increasing focus on apprenticeships, particularly as a source of supply of industry relevant intermediate technical skills. The creative digital sector has historically had less involvement with apprenticeships, although activity has increased dramatically in recent years. In the GM business survey, only 20% of businesses within the sector reported employing an apprentice, however initial findings from the research with the Digital & Creative Sector in Greater Manchester found that 95% of firms within the sector said that apprenticeships were suitable to their industry (above the 85% all sectors rate). Businesses regard apprenticeships as an ideal way for a young person to learn about the business and in the process to keep their skills up to date. As part of the Digital Strategy for the City, we have established a Digital Skills group, chaired by the Deputy Leader, which is considering apprenticeships as part of the wider approach to improving digital skills.

10.2 The Employer Ownerships of Skills Group dedicated to the Creative Digital and ICT as part of the Employer Ownership of Skills are in the process of developing a new level 4 digital apprenticeship with Hyper Island. The Council will be recruiting four apprentices from this framework in Corporate Communications and ICT. ANS, the cloud computing and technology solutions company, has committed to offering 35 level 3 apprenticeships through EOS with a further 15 supported within their supply chain. The Juice Academy, developed by Tangerine PR – a Manchester-based PR agency – is offering 20 advanced level Social Media apprenticeships this quarter and a further 60 before the end of the year. SharpFutures has its first five digital apprentices and ten volunteer jobseekers, with an ambition to grow significantly. The

Council has supported this pilot with a grant specifically aimed at engaging micro businesses in this sector, working with apprentices and supporting valuable work experience. Rose Marley from Sharp Futures will attend Economy Scrutiny.

11.0 Apprenticeship Quality Assurance Measures

11.1 In response to the Richards Review (see appendix 2) and to address issues around the quality assurance surrounding apprenticeships, the minimum duration ruling of 12 months for Apprenticeships for those aged 16-18 started in August 2012. This is now a requirement in the 2012/13 Funding Rules, published by the Skills Funding Agency March 2012, and applies to all new starts from 1 August 2012 onwards.

11.2 This ruling is due to the recognition that in order for a young person to fully benefit from an apprenticeship there needs to be a minimum of 12 months on the job training and qualification achieved. The Skills Funding Agency and the National Apprenticeship Service also felt that quality assurance measures needed to be implemented to ensure that those providing apprenticeships and sought public funding to do so were meeting the new guidelines set.

11.3 Whilst the introduction of the new funding rule does not formally apply to those already in learning prior to August, it is strongly encouraged that all training organisations and employers start implementing with immediate effect 12-month minimum programmes for all existing apprentices aged 16-18. The National Apprenticeship Service is currently reviewing the position with regard to a minimum duration time for those apprentices aged 19 and over and will continue to work with and consult the sector and stakeholders in undertaking this review. Once the review is completed, we will ensure that adequate notice is given should any changes to current funding rules be called for by government ministers

11.4 The Government recently announced that more than 60 companies have signed up to be 'Trailblazers' and are ready to go live with developing the new apprenticeship scheme. The new apprenticeships will commence as early as the end of 2014.

11.5 The Trailblazer aims to:

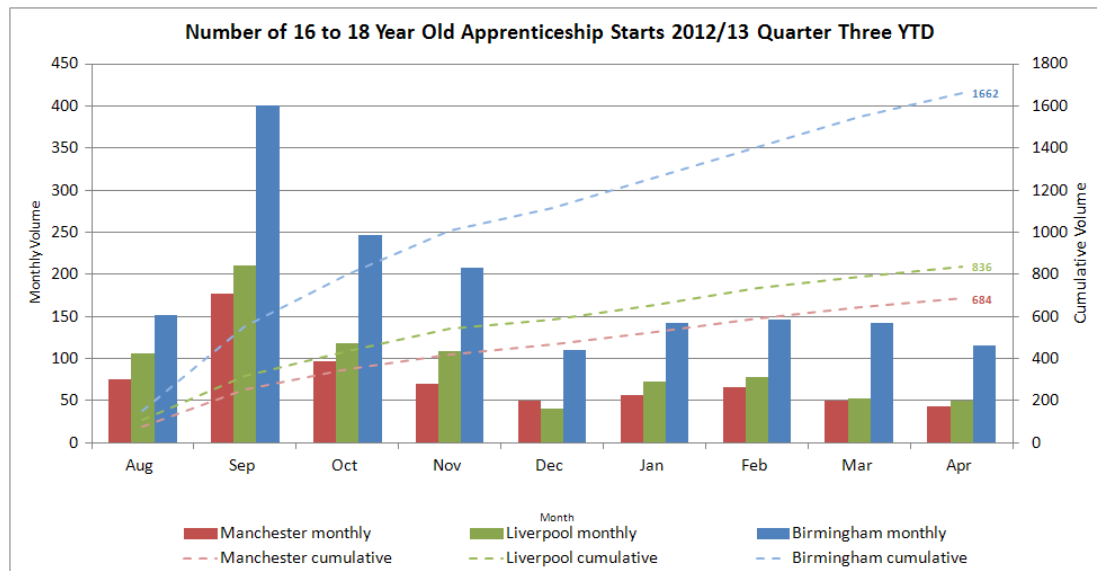
- Put employers in the driving seat of apprenticeships; in future, apprenticeships will be based on standards designed by employers, to meet the specific needs of their industry
- Radically simplify the system; the new employer-led standards will be short and easy to understand.
- Increase the quality of apprenticeships including stepping up the maths and English requirements; apprentices will be graded – pass, merit, distinction.
- Require a minimum of 20% off-the-job training - time away from their workstation to focus on training

11.6 Recently details were announced of the national framework for delivery of traineeships.

12.0 Learning from other cities.

12.1 Below is a table containing data obtained from Liverpool, Birmingham and Manchester City Council. The information aims to identify where statistical neighbours are performing well, could improve and highlights areas of good practice.

Fig 4



12.2 Comparison data for quarter three looks at the number of apprenticeship starts for the period August 2012 to April 2013. The graph above details the results as a year to date total. Three cities were compared; Manchester, Birmingham and Liverpool. September was the best performing month for all three Local Authorities. Birmingham in particular recorded 400 starts for the 16 to 18 cohort; Manchester in comparison had 177 starts.

12.3 Cumulative figures show that Birmingham has recorded 1,662, 16 to 18 year old starts so far in 2012/13, almost a thousand more starts than Manchester (684) and almost double the starts registered by Liverpool (836). For comparison purposes, the 2011 Census data shows the population data for young people aged between 16 to 19 in each of the cities as being: Birmingham (65,516), Manchester (32,699) and Liverpool (29,140).

12.4 In 2012/2013 Manchester City Council offered the smallest financial incentive to companies employing an Apprentice. Monies from The Youth Contract were used differently in Manchester by commissioning in a number of organisations to work with young people. Both Liverpool and Birmingham have used this money differently by topping up NAS Financial incentives for employer.

13.0 Birmingham’s financial incentives included:

- Offering Employers recruiting apprentices;
 - £1,500 (National Apprenticeship Service AGE grant)
 - £1,500 (Birmingham jobs fund top up for 16-18 yrs NEET)
- (Funds via District Community Chest funds – subject to cabinet approval)

TOTAL £3,000

OR

- £2275 (Department of Work and Pensions Wage incentives)
- £725 (Birmingham jobs fund top up for 18-24 yrs unemployed for 6 months+)
(Funds from District Community Chest funds)

TOTAL £3,000

14.0 Birmingham Website – Birmingham has a useful website which has information for employers it is clear and provides excellent flow charts to make funding opportunities transparent and easy to understand. Links to additional useful documents are also available. Little information is available for young people. It is felt that the website has been designed more to assist the employers.

14.1 Birmingham Employer Engagement – there appears to be a great deal of work around employer engagement, such as breakfast events for employers, also there are excellent links with National Exhibition Centre annual Skills Show. There is currently participation in relation to the Employer Ownership of Skills pilot. Birmingham was successful in a 1000 /100 campaign which saw 1,000 apprenticeship vacancies filled in 100 days.

14.2 Birmingham Working with schools – Birmingham has a track and record Young people's participation for use to support apprenticeships in the future. Birmingham has been targeting schools that traditionally have low destination routes into apprenticeships.

14.3 Higher Level Apprenticeships – Currently there is a great deal of multi agency work underway to assist and understand the journey from traineeship to higher apprenticeship.

14.4 Birmingham Growth Sectors – Growth Sectors in Birmingham are comparable with Manchester's and includes: Financial and professional services, Creative and digital, Advanced manufacturing, Life Sciences and Food & Drink. Birmingham is the 2nd largest city outside of London with a population of 1.74 million compared to Manchester who has 512,000. Recently there have been a number of large scale developments which has enabled apprenticeship starts and new businesses to move into the City.

15.0 Liverpool's financial incentives included:

Liverpool has had a dedicated Apprenticeship in Liverpool team to lead the work on apprenticeships in the City.

- Youth Contract funding only. Employers can only receive a subsidy if employing a 16-17yr old Liverpool resident who is currently NEET

TOTAL £3,500

15.1 **Liverpool Website** – Information currently on Liverpool’s website is pre May 2013. No updated information is now contained due to there not being any decision made about the future of Apprenticeships in Liverpool Team.

15.2 **Liverpool Employer Engagement** – Liverpool have dedicated business contact within, there is also employer participation in employment programmes delivered by LCC. Advice & guidance to employers is provided in relation to pre recruitment and apprenticeship frameworks.

15.3 **Liverpool Working with schools** – No information was provided or available in relation to working with schools

15.4 **Liverpool Growth Sectors** – Data shows that Liverpool’s growth sectors consist of Construction, Retail, Hospitality, Care, Knowledge economy. Information provided by Liverpool informs us that these appear to be the sectors of growth due to the fact that there has been increased tourism to Liverpool over the last few years. Liverpool one construction and the expansion of the University Hospital and the reworking of Albert Docks have seen significant apprenticeships starts. It is also considered that the award for the City of Culture assisted in opportunities arising.

16.0 Manchester’s financial incentives included:

- Offering Employers recruiting apprentices;
- £1,500 (National Apprenticeship Service AGE grant for 16-24 yrs)

TOTAL £1,500

OR

- £1,500 (National Apprenticeship Service AGE grant for 16-24 yrs)
- £750 (GM youth offer money for NEET 16-24yrs)

TOTAL £2,250

OR

- £2275 (Department of Work and Pensions Wage incentives)

16.1 **Website** – Manchester’s website is easy to use. There is a clear definition between sections for young people and information for employers. There is a lack of flow charts / information for employers regarding what can be claimed in relation to incentives for recruiting apprentices’

16.2 **Employer Engagement** – Currently there is a raft of information on the website that raises awareness to both apprentice’s and the employers this includes information around the Apprentice Ambassador scheme. There are links that assist employers and young people to be guided directly to the National Apprenticeship Service website and the offer of the Employer Suite for employers to recruit Manchester residents free of charge can be accessed.

16.3 There is an excellent relationship and participation with the Chamber of Commerce in relation to the Employer Ownership of skills pilot, and there are a number of apprentice opportunities currently in development. Manchester also has representation on the City Deal Apprenticeship Hub.

16.4 **Growth Sectors** – Currently highlighted in statistical information Manchester has the following growth sectors which consist of Creative & Digital, Financial & Professional Services. There is a great deal of activity currently taking place to raise awareness of this to employers and young people in Manchester.

17.0 Key findings:

- Manchester City Council appears to be doing more than Liverpool and Birmingham with promotion and marketing initiatives, especially the Apprentice Ambassador Scheme and the Apprenticeship Revolution marketing campaign.
- Birmingham City Council is particularly good at Employer Engagement events and offer breakfast events and presence at the NEC Skills Show to showcase their Apprenticeship scheme.
- Birmingham like Manchester, has a written an apprenticeship strategy, although this has not yet been implemented into its current delivery model.
- Liverpool City Council has had a dedicated Merseyside Apprenticeship Programme, which has driven apprenticeship activity in the City. It has been funded through ESF, which ceased in May 2013. Therefore the City Council is in the process of changing the offer for Employers and Apprentices in the City. Little is known about how the new offer will look and who will coordinate the Apprentice work taking place in Liverpool.
- Growth sector information varies for all three LA's, with Manchester focussing on three main priority growth sectors whilst Liverpool and Birmingham have five target growth sectors. Birmingham still has large manufacturing organisations who undertake regular and volume recruitment of apprentices'; one known organisation is Jaguar Land Rover who recruits apprentices' on a regular basis.
- The latest full year figures from 2011/12 indicate that Manchester has only 50% fewer apprentice starts, despite having a third of the population and opportunities of Birmingham.

18.0 Future Initiatives

Traineeships will offer young people the opportunity to undertake a substantial work placement and work skills training, alongside support to improve their English and mathematics. Depending on the young person's needs, a range of other support and flexible training may be offered to help them develop their skills and progress quickly onto an apprenticeship or secure other employment. Providers need to be rated good by OFSTED to be able to deliver traineeships. Partners from GM have

been working collaboratively to develop a ‘GM traineeship good practice framework’ which will hopefully be incorporated into the Provider Development Programme

18.1 GM is one of 21 LEP areas in England selected to receive *Talent Match* investment of £9.6 million over 5 years from Big Lottery. The main target audience is 18-24 years olds who have not been in employment, education or training for at least twelve months. The programme aims to support approximately 1600 young people with 400 entering into sustainable employment for 6 months or more. Programme and contract management will it with GMCVO as the lead body. This programme still awaiting final approval from Big Lottery which is expected soon delivery subject to feedback is expected to commence in January 2014.

18.2 *ESF 2014 -2020*. There will be a funding allocation of approximately £175m for skills, employment and social inclusion (minimum 20% of total) for GM. The New Economy is leading, with input from Local Authorities on the development of a proposal that will contribute to the delivery of GMS, GM Skills priorities and Public Sector Reform. Young people including those who are NEET and at risk of becoming NEET is one of the key target groups. The ESF programme presents a good opportunity to increase activity and address gaps in provision in ways that make a greater impact on youth unemployment.

18.3 In July, the Deputy Prime Minister announced that £50m would be available for wave one City Deal areas to bid against with proposals that tackle long term youth unemployment and increase the uptake of the Youth Contract wage incentive. Delivery must begin in the current financial year and is likely to be focused on young people who are 6 to 9 months unemployed i.e. pre Work Programme. Proposals must be innovative and help build an evidence base of what works as well as delivering value for money and providing some match funding. The GM proposal will be a joint GM / Liverpool City Region proposal and will include some or all of the following:

- Use of personalised budgets for young people
- Support from a dedicated personal coach
- Testing the use of digital technology with mobile apps etc
- Career planning
- In-work support to maximise wage and skill progression
- Travel to work offer for young people
- Use of Randomised Control Trial evaluation to build the evidence base for future commissioning and delivery
- Exploring the potential to develop the proposal into an investable proposition for Greater Manchester with local risk/reward

19.0 Conclusion

19.1 Strong partnerships continue to flourish throughout the city and across Greater Manchester to increase apprenticeship activity. It remains a key priority for the city to ensure that apprenticeships are used to up skill Manchester residents and support them to benefit from projected employment growth arising from regeneration across the city and in the city centre in particular. The Apprenticeship in Manchester group

has acted as a focus for activity in the City with a strong focus on raising awareness and debunking some of the myths around apprenticeships.

19.2 The comparison with other cities shows that Manchester can learn from Birmingham's robust employer engagement strategy to promote apprenticeships. Events and further employer engagement strategies are in development to drive this activity forward.

19.3 The Marketing and Communications Team already use social media to good effect with young people. However, social networking sites such as LinkedIn / Facebook & Twitter could also be used to engage more effectively with local employers. This is something currently being trialled by Manchester

19.4 Financial incentives may have worked better in Birmingham where there is one amount for an employer taking on a NEET young person irrespective of age. However, the jury is out on financial incentives as both at GM and nationally they are under-spent. Anecdotal feedback from employers is that a young person with the right attributes is the key to them employing more apprentices rather than a financial incentive. Employers in some sectors have a strong preference for apprentices that are 18 plus and do have issues with the different levels of funding for 16-18 year old apprentices (training is fully funded) and 19+ (training is only 50% funded).

19.5 The implementation of the Richards Review has started and will continue to make an impact on minimum standards and quality of apprenticeships. It is important that at Greater Manchester level where there is additional funding for apprenticeship activity, there is a focus on quality as well as increasing the numbers of apprenticeship vacancies and the young people accessing them. Quality is a challenge as the apprenticeship market is a fragmented one with a large number of providers and variable provision.

19.6 Recent Government announcements put employers in a central position for their delivery. The Chamber's EOS pilot has started this process with employers in key growth sectors in Greater Manchester and the paper provides some examples. However, the Chamber's bid for Round 2 EOS was unsuccessful as were other place based bids, which means that employer engagement will most likely be through national skills sector organisations. Traineeships should provide a positive progression route for young people in the City who need some additional input before starting an apprenticeship.

19.7 Beyond apprenticeships, there are a range of national initiatives targeted at reducing youth unemployment, some of which are very small with limited impact e.g. youth contract for 16 to 17 year old NEET young people. The section on Future Initiatives outlines the key initiatives that can have a significant impact on youth unemployment in the City and there are a number of opportunities for the design of bespoke programmes for Greater Manchester. It is important that these are positioned so that they provide a coherent offer and positive progression pathways for young people in the City who will have different starting points. It is equally important that they are relevant to and valued by employers.



Department
for Education



Department
for Business
Innovation & Skills

The Future of Apprenticeships in England: Next Steps from the Richard Review

March 2013

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Ministerial Foreword

There is much to be proud of in Apprenticeships. Apprentices are employed in more sectors, with more employers and at more skill levels than ever. Apprenticeships deliver excellent returns, enjoy a profile and status not seen for many years, and are now being developed at degree level and beyond for the first time. We are determined to build on these strengths.

High quality Apprenticeships offer a powerful tool to help individuals to progress and succeed; they help businesses create the skilled workforce needed to compete, and equal any in the world. But we must ensure that Apprenticeships serve employers in the decades ahead, and bring all up to the standards of the best.

Doug Richard has set out a compelling case for reform, to ensure that all Apprenticeships are rigorous and responsive to employers' needs. We are grateful for the time and care Doug has taken and for the far reaching recommendations he has made. We agree with his assessment and his vision.

His recommendations, which are addressed in this document, amount to a major programme of reform. They set a clear challenge not just for government but for all those involved in Apprenticeships. We agree with Doug Richard that we must empower employers and place them at the heart of the Apprenticeship system. And we agree that we must set the bar high on standards and quality, to deliver Apprenticeships that are truly valued by employers and Apprentices alike. The voice of employers is not best expressed through representative bodies but by what they are prepared to pay for. So we will make these reforms based on rigour and responsiveness.

In line with the challenge set by Doug Richard, we want to work with employers, educators and all those involved in Apprenticeships, to develop solutions for the long term. We are at a critical point in developing Apprenticeships in England. We strongly encourage you to contribute by offering your views on the questions set out in this document.



Matthew Hancock MP
Minister for Skills



Rt Hon Michael Gove MP
Secretary of State for Education



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**Secretary of State for Business
Innovation and Skills**

Introduction

Apprenticeships are central to the government's drive to raise our nation's skills because we know they work. Throughout history, Apprenticeships have supported people learning new trades. With roots extending back over 600 years, they have certainly stood the test of time. Of course, over time trades and job roles have changed, and Apprenticeships must change with them, but it remains the case that learning is often most effective whilst doing.

The Apprenticeship programme today delivers strong returns for the economy, employers and Apprentices themselves. Put simply, it is a good investment for all concerned. A recent study estimates that those undertaking Higher Apprenticeships could earn around £150,000 more over their lifetime, comparable to the return for the average graduate¹.

This is why, despite the most challenging economic times this country has faced for generations, we have increased funding for the programme.

We have also taken steps to raise standards and improve the quality of Apprenticeships: cracking down on poor provision; strengthening requirements on English and maths; and ensuring that every Apprenticeship lasts long enough to embed new knowledge and skills in workplace practice.

At the same time, we have made it easier and more rewarding for employers of all sizes to recruit and train Apprentices, encouraged growth in those parts of the programme that deliver the most value, and expanded provision at higher skill levels. In the last academic year, more Apprentices and employers benefited than ever before. Over 200,000 employer workplaces participated, and over half a million new Apprenticeships started.

But Apprenticeships are too important for us to be satisfied with the progress made so far. It is for this reason that we invited Doug Richard to look to the future and consider how the programme can best meet the needs of the changing economy, deliver the consistently high quality training which learners and employers demand, and get the best possible value for public investment.

¹ 'University Education: Is this the best route into employment?' - AAT and CEBR, February 2013.

Doug Richard, entrepreneur, educator and founder of School for Startups, was asked by the Education Secretary Michael Gove and the Business Secretary Vince Cable to consider the future of Apprenticeships in England, and to recommend how they can meet the needs of the changing economy. The terms of reference for the Review are included at Annex B, and the main recommendations are set out in the sections of this document to which they are most relevant.

The Richard Review, published in November 2012, makes clear the case for further reforms and the direction these should take towards a system that is more rigorous and more responsive to employers' needs. We firmly agree with Doug Richard's assessment of the challenges and opportunities ahead, and endorse his vision for the future of Apprenticeships and the key steps we will need to take to get there.

The Richard Review argues that Apprenticeships should be redefined, to focus where they can add most value, to strengthen the brand and to raise our level of ambition. It recommends sharp emphasis on quality and rigour, so that training is trusted and transferable. It reminds us that at their core Apprenticeships must be about the relationship between an employer and an Apprentice, and challenges us to put employers at the heart of the system's design and delivery. And it recommends that government should focus on outcomes – what Apprentices can do at the end of their Apprenticeships – and free up the process by which Apprentices get there. We accept the Review's recommendations to reform Apprenticeships in pursuit of these core principles.

In setting out our plans, we are also drawing on the advice of others who have helped improve and shape the direction of the Apprenticeship programme, and who continue to do so. They include those contributing to the Richard Review itself, as well as those who have provided advice more directly, such as Professor Alison Wolf for her examination of vocational training for young people and entrepreneur Jason Holt for his review into supporting smaller businesses. Further important contributions have been made by Michael Heseltine in looking at the role of skills in wealth creation; by the Business Innovation and Skills Select Committee in its 2012 Report on Apprenticeships; and by the National Audit Office in its examination last year of the adult programme.

Informed by these contributions and other evidence, this document sets out the government's vision for the future of Apprenticeships in England. We describe the principles we believe to be important and our priorities for reform and, at a high level, the approach we propose to deliver these. We do so both to confirm the direction we wish to take and to inform and stimulate a wide public consultation on implementation. The reforms set out here are long-term and they are bold. The pace and detail of delivery must be shaped by the

employers, educators and individuals on whom the Apprenticeship system depends.

As we seek to improve Apprenticeships we must recognise and strengthen the good practice that already exists, and ensure that all rise to the standard of the best. Our vision builds on the steps already taken, for example to improve quality.

The reforms will not be easy but the rewards for employers, individuals and the future workforce mean they are worth pursuing. In the spirit of partnership that will be key to their success, we invite views on the approach that is set out in this document, and in particular on the questions highlighted.

Section 1: The role for Apprenticeships

“We know that an Apprenticeship model delivers the most value when it involves sustained and substantial training, fully and closely integrated within the experience of learning and practising a real job.”

“We cannot expect Apprenticeships to be well regarded if we do not make it clear what they stand for.”

Richard Review recommendation

Apprenticeships should be redefined:

- they should be targeted at those new to a job or role
- suitable jobs will require sustained and substantial training
- the government should introduce a separate programme for employability skills
- training and accreditation of those already fully competent in their jobs should be delivered separately

An important step already taken by government has been to adopt the principle that an Apprenticeship must involve a real job. It should not simply be a package of mainly classroom-based vocational study, as has sometimes previously been the case. It is a vital principle we believe should continue.

We agree with Doug Richard that Apprenticeships should be designed for and targeted at people starting a new job role or occupation, so as to train them in the skills needed for that job and to provide a springboard for their future careers. This is not a narrow definition. It includes offering a ladder of opportunity to help people advance within their existing employment, where the Apprenticeship is firmly focused on training them to do a higher skilled job. Most important for Apprentices and employers alike is that substantial learning takes place, with the application and practice of new knowledge and skills in a real workplace.

For young people in particular, Apprenticeships are an ideal way both to earn and learn. But individuals of all ages can benefit. Few people today are settled in jobs for life. There is an increasing need, and opportunity, for many to consider and adapt to new career directions. Apprenticeships can support this, helping people adjust to the rapidly changing skills needs of a modern economy.

For those already experienced and competent in their roles, Apprenticeships will not be the right approach, unless they are advancing to a substantially higher skilled role. Where people have existing skills they want recognised, we believe that they should still have the opportunity to test themselves against new competency standards via other non-Apprenticeship routes.

At whatever age, an Apprenticeship must enable an individual to gain both the skills to excel at their current job and the core competences to apply these skills to other jobs in their sector. Every Apprenticeship should also relate to a real job role, not simply train an individual in a generic set of skills.

We believe it is for employers to define the standards and scope of learning required for each job role or occupation. This is considered in detail in later sections. Government's role is to set the broader criteria for standards, taking account of the public investment being made. In all cases and in every sector, an Apprenticeship must involve substantial training, over an extended period. This should go significantly beyond that typically offered by an employer to all new members of staff.

Whatever the starting point for the Apprentice, and often this will be from a low base, the standards to which they are being trained must be broad and stretching, and the core skills acquired must be recognised as transferable by other employers in their sector.

Compared with some Apprenticeships today, the new standards will be more challenging and ambitious. Often they may take longer to achieve. But the value of the outcome to both Apprentices and employers will be greater. Apprenticeships may be defined at any level, so long as broader criteria for standards set by government are met. The level should be based on what the job role requires, as determined by employers. Apprenticeships should never be just a staging post, with full competency requiring further training, skills or experience. We would expect Apprenticeships at level 2 to continue, where this is the outcome of the standard-setting process employers have led, and where the breadth and stretch of skill required for that job role makes it suitable for an Apprenticeship. However, we envisage that more Apprenticeships will target achievement to level 3 or higher than do today, and we hope to see significant growth continue at level 4 and above.

For individuals in low skilled jobs, which do not require substantial training over an extended period, Apprenticeships will not be suitable. People in this situation will be entitled to extensive training from the Further Education (FE) system more widely. This includes support for training in English and maths and for their first level 2 or level 3 qualification. This, together with the work experience they are gaining in their job, will help prepare them to apply for higher skilled Apprenticeships.

Traineeships

Apprenticeships, combined with the introduction of study programmes for those aged 16 to 19, are at the heart of our drive to equip people with the skills that employers need.

We recognise however that some young people need more help with the transition from school to work. Employers consistently express concern that young people often lack the right skills and attitudes when they apply for Apprenticeships or other jobs. Sometimes they may just need the chance to prove themselves to an employer.

We therefore agree with the Richard recommendation that the government should introduce a new scheme, alongside Apprenticeships, to help young people develop the employability skills and experience of work needed to get a good job or Apprenticeship. As we improve Apprenticeships for those able to secure them, through our new plans for Traineeships we are giving the additional help some young people need to take advantage of these.

Starting later this year, Traineeships will offer unemployed people aged 16 to 24 years a combination of extended work placements, work skills training, English and maths, and other support suited to individual needs. They will help young people prepare for Apprenticeships and other employment opportunities.

We will say more on Traineeships in the updated national skills strategy we plan to publish shortly.

Question 1: How can we ensure that every Apprenticeship delivers substantial new skills?

Section 2: Apprenticeship qualifications that employers really value

“We need clear, effective and trusted Apprenticeship qualifications. The solution lies in shifting the power over designing and developing these to employers in a far more direct and transparent way... whilst giving Government a clearer role in defining what a good quality standard looks like.”

Richard Review recommendation

The focus of Apprenticeships should be on the outcome:

- recognised industry standards should be at the heart of every Apprenticeship. They should set out what Apprentices must know and be able to do, at the end of their Apprenticeship, at a high level which is meaningful and relevant for employers
- these standards should form the basis for new Apprenticeship qualifications to replace Apprenticeship frameworks, the current qualifications which comprise them and the national occupational standards which underpin them
- there should be one Apprenticeship qualification for each occupation associated with an Apprenticeship. Apprentices should not complete a package of qualifications; nor should there be multiple competing qualifications per job role
- Apprenticeships should link to standards for professional registration where these exist and are well-recognised

The Government should set up a contest for the best Apprenticeship qualification:

- individual employers, employer partnerships or other organisations with relevant expertise to be invited to design and develop meaningful Apprenticeship qualifications for their sectors
- the selection of the ‘best’ qualification for an occupation should be based on Government-set criteria for identifying what good looks like
- the criteria should ensure that the qualification is ambitious and stretching, delivers transferable skills and has significant buy-in amongst employers, including small ones

We firmly agree with Doug Richard that employers must be genuinely at the centre of designing Apprenticeship standards and qualifications, and that these should be focused on the outcome. We also agree that to achieve this will require a major overhaul in the structure of current Apprenticeships, the qualifications which comprise them and the occupational standards which underpin them.

Recognised industry standards

We agree with the Review that every Apprenticeship should be based on industry standards that are widely recognised, easy to understand and trusted by employers. These should describe what an employer requires from a fully competent Apprentice at the end of their training. They should focus, in broad terms, on what is needed to demonstrate mastery of an occupation, not competence in a series of narrowly defined tasks.

This approach differs from today's system, in which Apprenticeship frameworks list qualifications that Apprentices must work through but do not set out holistically the knowledge and skills needed to demonstrate full competence in the job. It differs too from the approach taken for qualifications within current Apprenticeships, and by the National Occupational Standards on which they are based. The Review argues that these are too narrow and detailed to be meaningful to employers, or to capture what employers really look for in new employees. The current approach encourages a focus on evidencing that an individual has, at one point in time, undertaken a series of discrete tasks, rather than on teaching an individual to do a whole job and on assessing this.

We agree that the responsibility for designing standards rightly sits with employers. The government cannot determine the standards or skills needed for all occupations; nor should it try to.

Qualifications

For each occupation or major job role we recognise the strong arguments set out in the Review that there should be a single standard set, defining the core knowledge and skills required. This could maximise recognition, consistency and transferability, and make it easier to assure that quality is maintained. For similar reasons, there is a strong case for a single qualification associated with this standard.

We recognise that for some sectors the nature of individual jobs and skills needs may vary significantly between employers, even for job roles that are nominally the same. The solution we adopt will need to take account of this. It could be addressed through a 'core and options' approach for each standard and qualification, increasing their flexibility for different settings and contexts while ensuring a rigorous core of essential knowledge and skills.

It would also be possible to agree a single standard but retain a market in qualifications to test against it. However, if we were to do this, it would be critical to avoid re-creating the situation that is sometimes the case now, with many different versions of qualifications competing not on rigour but on ease of completion and price, thus lowering standards in the process. The effect would be to undermine trust and transferability in any new system, as it has for some employers in the current one.

Whether or not we retain a market in qualifications to certify the standard, we agree with Doug Richard that there are strong arguments for Apprentices taking just one, overarching qualification. This would certify their achievement of the full standard and demonstrate how learning and practice across the Apprenticeship had been retained and their ability to apply this. This would be more valuable and transferable than a package of narrower qualifications. Only by limited exception would Apprentices gain credit separately and more swiftly for smaller qualifications. For example, where these are pre-requisites for the job, such as in food hygiene or fork lift truck operation, and where such qualifications might in practice be essential additions to the Apprenticeship training itself.

Standard setting criteria

The role for government is to ensure that Apprenticeships are high quality, with sufficient stretch and breadth of learning to justify public investment. This includes assuring the rigour of the standards on which they are based, and of the qualifications that link to these. We therefore agree with the review that the government should set the criteria against which standards are developed.

Doug Richard has suggested that the criteria below be the basis for setting standards. We would welcome views on whether these are right, and whether there is anything that should be added or removed. He proposes that the new standards, and the Apprenticeships to which they relate, should:

- be stretching
- deliver transferable skills
- have significant buy-in across the sector, including from small and medium-sized enterprises (SMEs), and be deliverable by small employers
- require substantial training and take more than a matter of months for an Apprentice to become competent at – involving training significantly beyond that offered to all new staff
- include skills which are relevant and valuable beyond just the current job, supporting progression within the sector

He has also proposed, and we agree, that in sectors where professional registration exists and is well recognised, Apprenticeships should provide the training, experience and other requirements needed to achieve this.

Designing the standards and qualifications

The Review recommends that the government should run a contest to select the standards for each occupation, inviting individual employers, employer partnerships and/or other professional organisations to compete to develop these.

We agree that a competitive process to set standards would have many benefits. It could maximise the recognition and transferability of the winning standard, and encourage competition based on quality. It would also offer a transparent and objective process through which the government could engage with employers to define the occupations and major job roles within their sector for which separate standards are needed.

At the same time, we accept, as Doug Richard highlights, that the ability of different sectors to respond to the challenge of a competition and to develop standards meeting the full range of criteria will vary. The approach could also mean rejecting some standards that comfortably met the criteria but were not selected, potentially working against the broad support envisaged for the winning standard, if a single standard for each occupation or major job role is adopted. Placing strong emphasis on evidence of significant buy-in across the sector as a selection criterion would help to mitigate this, together with the 'core and options' approach described above. Doug Richard has suggested that, at the outset, government might need to help employers to come together to develop the new standards, at least in some sectors, and we agree.

We will take further time to consider the most appropriate process, and would welcome views on how best to bring employers together to design the new standards and associated qualifications.

Once standards are agreed, which would be for a defined period, it will be important for the employers that developed these to keep under review whether they continue to be appropriate or need updating.

How we will get there

We would welcome views on how best to create a system that empowers employers to design the high quality standards that work for them, supported by qualifications that are widely recognised and valued.

We do not underestimate the scale of the reforms to standards and qualifications that we are proposing. Designing and implementing these reforms will need careful planning and partnership. We will set out a timetable for the transition later this year, in light of further work and responses to the questions set out in this document.

We would also welcome views on how best to manage the transition to new qualifications and standards. For example, in the short term there may be merit in reviewing existing frameworks, and/or the qualifications contained within these, to remove those that employers do not value or that are furthest away from the new expectations for Apprenticeships.

In moving to the new standards, we envisage a staged roll-out across sectors. Some sectors will be better prepared to respond sooner than others, perhaps building on partnerships cemented through the Employer Ownership of Skills pilot or other sectoral partnerships. In others, the case for pursuing the new approach more rapidly may be particularly strong. Staged roll-out will also enable us to learn from the early pathfinders.

Question 2: How should we invite and enable employers to come together to design new standards for Apprenticeships?

Question 3: What are your views on the proposed criteria for Apprenticeship standards as set out above?

Question 4: Should there be only one standard per Apprentice occupation/job role?

Question 5: Should there be only one qualification per standard?

Question 6: How should we manage the transition from the current system of Apprenticeship frameworks to a new system of employer-designed Apprenticeship standards and qualifications?

Question 7: How can we make sure that the new standards stay relevant to employers, and are not compromised over time?

Section 3: Improving trust and confidence in the assessment of Apprenticeships

“Continuous and time consuming assessment, driven by paper-based tests, accumulated ‘evidence’ and assessors with a vested interest in Apprentices passing the test, demeans the Apprentice’s accomplishment.”

“The final test and validation must...test the full breadth of the relevant competencies not merely the incremental progression of the Apprentice.”

Richard Review recommendation

The testing and validation process should be independent and genuinely respected by industry:

- the test should be holistic, at the end, and assess whether the individual is fully competent and employable, within their job and their sector
- organisations with the right expertise should be responsible for assessment and making sure Apprentices are tested consistently against the specified standard. Where possible, assessment oversight and delivery should be done in collaboration with the qualification designers
- assessors must be entirely independent, with no incentive or disincentive related to the outcome. Employers should be directly involved as well as educators
- the government, a government body or regulator should approve and oversee the assessment process, or the organisations in charge of that process, in a light touch way

It is vital that employers trust the qualifications Apprentices take. The steps set out in Section 2 to ensure stretching standards and qualifications defined by employers will help to build this trust. But if employers do not also have confidence in the assessments carried out to verify the achievement of standards, then the value of any qualifications will be undermined.

We agree with the Review that we must reform assessment so that it is more independent and more trusted by employers. There must be no incentive to pass individuals who are not sufficiently competent.

We also firmly agree that the main assessment of an Apprentice’s competence should take place largely at the end, consistent with the outcome-based standards that are proposed. Only then is it possible to certify final achievement against the full range of skills and competencies required.

Key principles of good assessment

As the Review sets out, the main principles of assessment in any education or training system are independence, consistency and the maintenance of standards over time.

Independent assessment will be demonstrably objective, separated from any individual or organisation with an incentive for whether the individual passes or fails. This might be achieved, for example, by ensuring that assessment is fully independent of training delivery. Or, where this is not possible, through robust arrangements for independent verification to ensure objectivity is maintained.

Consistency means that the outcome should not vary between different settings, workplaces or areas. For example, it is important that an employer in Kent recruiting a carpenter who served his or her Apprenticeship in Northumberland can be assured that the candidate has the core skills needed for the role.

Effective and trusted oversight of the assessment system as a whole is also important, to ensure that the above requirements are met and that standards are maintained over time.

End point assessment

Apprenticeships today, as a result of the qualifications they contain, often focus heavily on continuous assessment. This can be at the expense of new teaching and learning. Indeed, some Apprentices tell us that their Apprenticeship experience has been dominated by assessment alone. Re-focusing on assessment at the end will allow trainers to spend more time teaching, not testing.

Synoptic, end point assessment means that an Apprentice will need to be able to demonstrate the full range of skills, competency and knowledge required to meet the standard, putting different strands of learning together and applying these in different contexts. The nature of the final assessment will vary for each occupation, reflecting the nature of the work involved. As Doug Richard suggests, this might itself comprise a series of tests and practical tasks undertaken over several days or weeks. Of key importance is that future employers trust the process as a meaningful and reliable test of an Apprentice's ability to do the job fully, including in new and different contexts.

This does not imply an end to all interim assessment. Reviews of progress by trainers to assess skills and knowledge gained will remain good practice as part of training. But such reviews would not be accredited and would be separate to the final, independent assessment of full competence.

Enhanced employer engagement

We agree with the Review that increased involvement by employers in assessment will help to build trust in the credibility and rigour of the process. In pursuing this, we will need to ensure that we do not ask more from employers than they have the capacity to do. This capacity is likely to vary between sectors and occupations. However we believe that in all sectors employers have an essential role not just in developing standards but also in overseeing the design and development of the assessment process to verify these.

The Review proposes too that employers should have a more direct role in assessing Apprenticeships. We are keen to explore how this might be achieved in practice, without placing undue burden on employers and while recognising the expertise required of professional assessors. The role of such professionals will continue to be important.

We propose therefore to include assessment as a further area to be considered by those developing Apprenticeship standards. Employers would be invited to set out what an effective test of competency against the standards they wish to set would be, and how the arrangements for its delivery might work.

The Review also proposes that the Apprentice's employer be asked to confirm that he or she has demonstrated the necessary level of competency and experience in the workplace, as a pre-cursor to taking the final, independent assessment. This would reinforce the centrality of the employer role in Apprenticeship delivery and in assessing the impact of training in the workplace. We agree this is a sensible step and would welcome wider views on how it might work.

The government is consulting separately on proposals to reform qualification accountability measures for 16 to 19 year-olds². As part of this we are seeking views on how awarding organisations can best support training providers to engage employers in the delivery and assessment of qualifications locally. We will take the responses to that consultation into account as we develop our approach for Apprenticeships

Grading

We believe that there is a strong case to apply grading to Apprenticeship qualifications, to maximise their usefulness in the labour market and as an incentive to strive for excellence. We know from competitions such as World Skills that defining excellence in vocational education helps to drive ambition.

²

Government proposal to reform vocational qualifications for 16-19 year olds
<http://media.education.gov.uk/assets/files/pdf/1/16%2019%20vq%20reform%20consultation%20document%20v3.pdf>

Current occupational qualifications use a wide variety of grading approaches. Most assess purely on a pass or fail basis but some distinguish between different levels of achievement. We will welcome views in particular from employers on the appropriateness of grading for their sector, and how this might work as part of standard setting and assessment.

Assessment oversight

We agree with the Review that the government, a government body or regulator should approve and oversee the assessment process as a whole, or the organisations in charge of that process, and that they should do so in a proportionate way. This oversight will protect both the learner and employer. Oversight in the current system is through the regulation by Ofqual of awarding organisations. We would want to ensure a clear and fully effective line of accountability for any new qualifications, in order to demonstrably maintain standards over time. Employers or professional bodies may also have a role in overseeing the assessment process in their sectors.

Next steps

Taken together, these reforms set a challenging agenda, to transform from the system we have now in which continuous, incremental provider-led assessment is the norm, and employer influence or oversight of the assessment process is often minimal.

There are many different ways by which the Review's principles could be applied. Further work is needed to explore possible approaches, to ensure that the full implications of any proposals, including in terms of deliverability and cost, are clear.

We are therefore seeking your views on how we can best deliver improved assessment, based on the principles set out.

Question 8: How can we ensure that employers are better engaged with the development and oversight of the assessment in Apprenticeships?

Question 9: How could employers best be involved in the practical delivery of assessment?

Question 10: How can the independence and consistency of assessment in Apprenticeships be further improved?

Question 11: How should we implement end point assessment for Apprenticeships?

Question 12: How should we implement grading for Apprenticeship qualifications?

Section 4: English and maths

“Apprenticeships should attract some of the best students, including those who have already excelled in maths and English at school. But, for those who have not yet reached a good level by the time they start...achieving a good level of maths and English, a more stretching level than many Apprentices currently attain, should be a pre-requisite for completion.”

Richard Review recommendation

All Apprentices should have achieved level 2 in English and maths before they can complete their Apprenticeship:

- maths and English taught within Apprenticeships should be sufficiently functional in approach to be suitable for an Apprenticeship context

We share Doug Richard’s ambition that all Apprentices should be supported to achieve Level 2 qualifications in English and maths, and are committed to progressing towards this.

Skills in English and maths provide a foundation for progression in all occupations. Those less able in these subjects will find many doors closed to them. This is why, from August 2012, all Apprentices have been offered training to work towards level 2 qualifications in these subjects where they have not achieved one or both previously. To support this, in 2012/13 we doubled the funding available for English and maths training for adult Apprentices, and raised this substantially for those under 19.

From August 2014, we will go further by requiring that all Apprentices who begin their Apprenticeship with only level 1 qualifications in English and/or maths take up the current offer and work towards level 2 during their Apprenticeship. This will align with a similar strengthening of requirements for those aged 16 to 19 undertaking study programmes. At this interim stage, however, Apprentices will not need to have achieved level 2 in order to successfully complete their Apprenticeship.

For those who begin without level 1 qualifications in English and/or maths, the requirement, as now, will be to attain level 1 in both subjects to complete their Apprenticeship. Providers will be expected to then offer level 2 training once level 1 has been achieved.

In future years we want to go further, so that all Apprentices achieve these critical qualifications as a core part of their Apprenticeship, as Doug Richard recommends and as is the case in some other Apprenticeship systems.

This strengthening of ambition reflects the increased status and more rigorous standards we envisage for future Apprenticeships, to offer a recognised pathway to high value jobs and successful careers for people of all abilities.

We recognise that this is a stretching goal and may take time to achieve, given the large numbers of individuals entering Apprenticeships today without this level of attainment. However we believe it is right to ensure that every Apprenticeship equips the Apprentice not just for their current job but to progress within and beyond their current sector.

For some people this will present a major challenge. For example, those with learning disabilities or who have low initial attainment in these subjects. We will continue to explore how best to support such individuals, including by extending best practices in teaching, and consider carefully how the transition to higher standards should be managed and its timing.

We will also consider how to ensure that the Apprenticeship system recognises the needs of those who have high potential but may have further to travel in these particular areas, so that providers or employers are not deterred from recruiting them.

Question 13: What are the specific obstacles to all Apprentices achieving level 2 English and maths as part of their Apprenticeship, and how could these be overcome?

Question 14: How would a requirement to have all Apprentices achieve level 2 in English and maths impact on employers, providers and potential learners? What are the risks and potential solutions?

Section 5: Promoting innovative and high quality training

“Different people learn in different ways... We must let competing educators, public and private, innovate and explore to find the best ways to get our Apprentices to the level of competency that the standard defines.”

Richard Review recommendation

The government should encourage diversity and innovation in delivering Apprenticeships:

- there should be no unnecessary process and prescription for how an Apprentice reaches the desired outcome, but rather many paths and approaches.

The government has a role in promoting good quality delivery:

- the government should help promote good practice
- some off-site learning and a minimum duration for Apprenticeships should be mandatory
- safeguards must protect Apprentices and employers against poor quality provision. The government should ensure that an effective, light touch approval process exists that confirms training organisations are providing good quality, relevant training for the sector.

With clear and holistic standards agreed for each occupation, and a shift towards assessment at the end, we can liberate our professional trainers to do what they do best: to teach and to train.

We strongly agree with the Review that every Apprenticeship should at its heart be about a relationship between an individual employer and individual learner. So the shape of every Apprenticeship journey should be different. An Apprenticeship should not be something taken ‘off the shelf’ by a provider, or something prescribed by government. Every job, every workplace, and every individual learner is different. So it should be up to employers, together with training providers and learners, to shape the learning journey themselves, and we should minimise the things that get in their way. As Doug Richard argues, government’s role should be primarily to help ensure quality outcomes, not to prescribe processes.

We will therefore encourage greater innovation and dynamism in training delivery, with more entrants to the market bringing fresh ideas and approaches, and spurring existing providers to respond similarly.

The reforms we are making to Apprenticeship qualifications, focusing on final competency and freeing up the journey to achieving this, will give greater scope to train in more flexible ways. The approach set out in previous

sections will see the increasing removal of the detailed prescription and incremental assessment that many Apprenticeships involve today.

As a further step we will explore what additional support the government might take to spur innovation, including to help spread good practice and to take full advantage of the opportunities offered by new technologies. A major impetus for innovation will also come from the increasingly central role envisaged for employers and Apprentices in driving the market for training. The Review's proposals set out in the next section to reform funding would play a major part in this, together with improved information to help employers to shop around.

Building on what works

There are some features of Apprenticeships today that we know help ensure effective training and a high quality experience. This is why we agree the recommendation to continue to require that Apprenticeships last at least a year, to give time for new learning to embed and for Apprentices to become fully competent and confident in their roles. Very often Apprenticeships will last much longer.

We also recognise the benefits for Apprentices of having sufficient time to learn and reflect well away from their 'day job', and share Doug Richard's concerns that many Apprentices today lack sufficient time away from their workplace and off-site. This brings the opportunity for additional training, and gives the time and space to gain fresh perspectives and consolidate learning. Further benefits can come from shared learning with other Apprentices. We would welcome views on the best way to ensure this is a core component of every Apprenticeship, without undermining employers' ability to shape each Apprenticeship as they see fit.

Safeguarding quality

At the same time as increasing choice and diversity of provision, we agree that employers should be able to trust that basic safeguards on training quality are in place. They should have some assurance of the quality, capability and legitimacy of training providers that they may wish to deal with. We recognise that the government will continue to have an important role in this area. For the market to operate effectively, employers also need to be able to compare between providers of the particular training they are seeking, to be confident that an approved provider is up to the task and to be able to judge between adequacy and excellence.

The Skills Funding Agency undertakes due diligence checks to assess the financial credentials, capacity and any Ofsted inspection record of all training providers receiving public funding. We will build on these arrangements to ensure that, as far as possible, they are an effective assurance of training

quality as well as financial health, and that this information is accessible to employers to help support their choice of provider.

We are also developing the concept of 'chartered' status for colleges and training providers. Wide-ranging criteria would include the need to demonstrate the responsiveness of providers to employers and local enterprise partnerships in their area. The chartered status logo would offer a visible symbol for employers of a high quality and responsive provider.

Alongside these routes, we agree with Doug Richard that voluntary, employer led kitemarking could play a role in helping employers find the right occupation-specific training. We believe it is for industry and professional bodies in each sector to judge this, and to develop and implement any schemes they believe appropriate. The aim would be to guide employers towards those providers with a strong record and offering good service in their particular area. Such kitemarking could also drive quality improvements.

A number of models are possible, and it may often be that the best approach will differ between sectors. However, if there is strong support for kitemarking in a number of sectors, we believe there may be a case for an overarching framework and branding to reduce the scope for confusion and burdens on providers. We would welcome views on this.

Question 15: What further steps, by government or others, could encourage greater diversity and innovation in training delivery to help Apprentices reach the standards that employers have set?

Question 16: What approach would work best to ensure Apprentices benefit from time to train and reflect away from their day to day workplace?

Question 17: Should off-site learning be made mandatory?

Question 18: How can the process for approving training providers be improved, to help employers find high quality, relevant training?

Question 19: Do you believe that a kitemarking scheme for your sector or profession would add value and be supported?

Section 6: Giving employers the purchasing power and incentives to drive quality and value

“Employers are best placed to judge the quality and relevance of training and demand the highest possible standards from training organisations. To become real consumers of training, employers should have control of Government funding and, also, contribute themselves to the cost.”

Richard Review recommendation

Government funding must create the right incentives for Apprenticeship training:

- government should contribute to the cost, but employers should have direct purchasing power to ensure relevance and drive up quality
- the price for Apprenticeship training should be free to respond to and reflect employer demand
- government should contribute only towards training to reach the industry agreed standard. Payment to be partly linked to the Apprentice passing the test
- preferred approach is that the government funds Apprenticeships through National Insurance or the tax system – ideally through a tax credit, similar to the R&D tax credit
- the funding system should be kept simple and accessible, including for small firms
- government should consider varying how much it pays for training – and potentially how and when it makes the payment - according to the size of the firm and age of the Apprentice.

Creating the right incentives for Apprenticeship training

Apprenticeships are a joint investment. It is right that the cost be shared between Apprentices, their employers and the government, reflecting the benefits to each:

- The *individual* benefits from new transferable skills and increased lifetime earnings, and so may contribute to the cost of training, for example by accepting a reduced wage during training.
- The *employer* benefits from a more productive workforce with lower staff turnover, and so should pay wages, provide on-the-job training and support, and contribute to the costs of training;

- *Society and the economy* as a whole benefit from Apprenticeships, so it is right that the government continues to contribute towards their cost.

We recognise the value of the key principles put forward by Doug Richard to underpin our future approach, which are that:

- The employer is the customer: Positioning the employer as the customer increases providers' incentives to respond to businesses' needs. This means employers should be the main purchasers of training from training providers.
- The employer co-invests: By making a direct financial contribution towards the cost of training, employers have stronger incentives to demand relevant, high-quality training of good value.
- Government does not set the price of training: Freeing the price of training from public control and having it determined between employers and providers will help to prioritise learning that delivers most value.
- Government funding is linked to achievement of transferable skills: Payment is partly linked to the achievement of the Apprenticeship, to provide incentives for individuals to succeed. And government supports only training that is transferable and that supports the Apprentice in reaching the agreed standard.
- The funding system should encourage employers to get involved: It must be simple and accessible, and must actively encourage the expansion of high quality Apprenticeships, by encouraging employers and individuals to participate, rather than deterring them.
- Apprenticeship support must be affordable and deliver value for money: By freeing the price, incentivising the employer to drive value, linking government funding to the achievement of transferable skills and raising standards across the programme, this will deliver improved value-for-money. Support for Apprenticeships must also be affordable within the government's spending plans.

Funding reform impacts on the other recommendations proposed by Doug Richard. It provides strong incentives for employers to engage in the design, development and assessment of Apprenticeships, as well as giving them the flexibility to choose the training their Apprentices need to get them to the standard.

These principles are currently being tested through the Employer Ownership Pilot, from which we will learn more about the issues, benefits and challenges as these progress. Looking beyond the current pilots, we will explore options for addressing the principles articulated by Doug Richard. This will take account both of how well different approaches could support our goals for

these reforms and the practical and cost implications for individuals, employers and the government. We recognise too that Local Enterprise Partnerships have an important role in supporting employers and in encouraging the responsiveness of local training provision to meet employer needs.

In considering these reforms, we will continue to be mindful of the need to fund younger Apprentices at a higher level, and to recognise the greater needs of smaller businesses in employing Apprentices.

Section 7: Improving awareness and information

“Improving quality, value and relevance will not be enough on its own to significantly boost awareness and demand.... direct steps to increase these will be needed.”

Richard Review recommendation

Learners and employers need access to good quality information:

- government and other relevant data sources to be made open and accessible in simple language and formats, so that others can connect it together to generate products that present data in meaningful, innovative and accessible ways

Government must actively boost awareness of the new Apprenticeship model.

- the government should take an education (not sales) based approach to help employers understand how to take on an Apprentice and why it's worthwhile
- those setting Apprenticeship standards should be encouraged to actively promote that standard across their sector
- the government, through its own web-based and other careers advice services, should ensure that the Apprenticeship route is offered as a genuine and valuable pathway to a successful career
- new ways to bring employers and prospective learners together should be promoted
- more effort should be made to ensure that schools and teachers, parents and all those who inform and guide young people have a better understanding of what a high quality Apprenticeship can offer
- the government and others should support employer links into schools, to raise awareness of Apprenticeships and other work-based learning opportunities, including through an Apprenticeship 'milk round'

Improving information and boosting awareness

High quality, accessible information is essential to promote choice and increase awareness of Apprenticeships. This is the focus of much current activity, for example through the National Apprenticeship Service online vacancy database and their networks of ambassadors and via the National Careers Service.

We agree with Doug Richard the need to get smarter and more ambitious in how we ensure employers, individuals and others learn about the benefits of Apprenticeships and about specific opportunities. This includes making the fullest use of new technologies.

As we improve the quality of Apprenticeships, we must ensure that young people in particular, and their parents and teachers, view Apprenticeships as a visible and valued pathway to a rewarding career. Too often today it is seen to be of lower status than other academic options. Yet Apprenticeships offer pathways into highly skilled and often well-paid jobs across the economy, from science and engineering to accountancy, and from technicians to management. With Higher Apprenticeship opportunities rapidly expanding up to postgraduate level, and Apprenticeships increasingly leading to professional registration, we must ensure that they attract the profile and standing they deserve.

To help to achieve this, Doug Richard, as well as Jason Holt in his recent work on improving SME engagement with Apprenticeships, highlighted the importance of peer networks and of support and mentoring services, particularly for SMEs. We agree and are working with employer organisations and other partners to establish how best to extend this.

In addition, with the increasing leadership roles envisaged for employer and professional organisations, we believe these will be well placed to educate about Apprenticeships both within their sector and beyond.

Open data and online information

The government has a particular responsibility to make the data it collects easily available for others to make good use of. This is an area in which we recognise we can do better, and we agree the emphasis that Doug Richard has placed on this.

Our digital strategy signals our intent to do more to harness the creativity and innovation of the private sector, to develop tools and services that maximise the value of government data. To support this, *data.gov.uk* provides a portal for open access to government datasets. One initiative, by the UK Commission for Employment and Skills, "LMI for All", is making large scale labour market data open access, aiming for a first release in May 2013.

Prompted by the challenge Doug Richard has set us, we are conducting a short review into open data with a focus on FE datasets.

We agree the importance of improving web-based information. The National Apprenticeship Service and the National Careers Service websites are currently both undergoing review and improvement. For these and other websites, this must be part of an ongoing process as technologies and people's expectations of online services continue to advance.

Websites and social media offer a particular and unique opportunity to communicate with young people directly, and we need to make sure we use them well.

The role of careers information, advice and guidance in schools and other settings

Since September 2012, there has been a statutory duty on schools to secure access to independent and impartial careers guidance on the full range of post-16 education and training options, including Apprenticeships. The duty currently applies to years 9-11 and will be extended to years 8-13 from September 2013, to ensure that young people get the advice they need at key transition points. An equivalent requirement will be extended to 16 to 18 year-olds in colleges through funding agreements.

We are committed to ensuring this duty is met. To help assess progress, an Ofsted thematic review of careers guidance will report in the summer of 2013. We have also published for the first time information on where young people go next when they leave school or college. This shows the percentage of students continuing their education in school, FE or 6th form colleges, Higher Education (HE) institutions, or through Apprenticeships or other work-based learning. The data were published as a Statistical First Release (experimental statistics)³.

From summer 2013, if the data are robust enough, we also aim to publish information on employment destinations and on the characteristics of students.

We accept that we need to improve the way that we get information to young people and their parents. Schools have a significant role, but are not the only place where we can ensure that young people can access impartial information.

Improving employer links with schools

There is some excellent practice in forging meaningful connections between industry and education, but we accept that this is by no means universal and varies by both place and sector. We are committed to improving employer links with schools, colleges and other training providers. Current activity includes work by the National Careers Service, National Apprenticeships Service and local enterprise partnerships, as well initiatives led by third sector organisations.

Alongside this, the first UK Skills Show was held this year. Its success demonstrates the value of this approach in highlighting not only young talent but also the range of vocational opportunities for young people.

³ The data are at <http://www.education.gov.uk/rsgateway/DB/STA/t001076/index.shtml>.

The independent review⁴ by businessman Jason Holt also set out a series of challenges for government to improve the engagement of smaller and medium sized firms in Apprenticeships. This too advocates greater attention to employer/schools links.

We seek your views on how we might best facilitate and promote employer engagement within schools, as a means of better informing young people and those around them about Apprenticeships.

Question 20: What more can government do to facilitate effective third party/external use of its data to better inform individuals and employers about Apprenticeships?

Question 21: What approaches are effective to inform young people and their parents about the opportunities provided by an Apprenticeship?

Question 22: How can we support employers to engage with learners of all ages to provide information about Apprenticeship opportunities?

⁴<https://www.gov.uk/government/publications/making-apprenticeships-more-accessible-to-small-and-medium-sized-enterprises-a-review-by-jason-holt>

Section 8: Equality and diversity

It is important that we assess the impacts, both direct and indirect, of the reforms set out in this document. Given that we are consulting on our proposals and the detail and timing of implementation is still to be confirmed, we have not yet carried out a full impact assessment. That work will be completed before we confirm our approach and implementation plan in the autumn. Initial screening suggests that some of the changes proposed could have a direct or indirect impact in terms of gender, ethnicity, age and disability. We would welcome views on this issue from all respondents and particularly organisations representing groups with protected characteristics⁵ and others that may be affected.

Question 23: Do you consider that the proposals set out in this document would have a positive or negative impact on any group, including those with protected characteristics? Please provide any comments or evidence you have for your answer and set out which aspects of the reforms will impact and how these impacts might be managed.

⁵ There are 9 protected characteristics as defined in the 2010 Equality Act: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation.

Section 9: Timetable and next steps

Further detailed work, including through the dialogue we will have with stakeholders as part of this consultation, will inform the implementation timetable. Given the scale of the proposed reforms, the necessary lead-in times to introducing changes to qualifications, funding or delivery, and the need to ensure stability for those currently undertaking or delivering Apprenticeships, full implementation will be carefully staged over the coming years.

We propose to confirm our broader approach and future timetable in autumn 2013, including the timeframe for developing the new standards and qualifications that will underpin future Apprenticeships. Subject to the outcomes of this consultation, we hope that the first teaching of these new Apprenticeships, in those sectors which move fastest, will be possible in 2014/15, with other sectors following in 2015/16.

We will not delay making progress where we can now. For example, we will take forward measures to raise attainment in English and maths within Apprenticeships, and we will act on Doug Richard's recommendations on improving awareness and boosting demand, including through increased access to government data. In addition, we will seek an early opportunity to ensure that the legislative framework for Apprenticeships can facilitate the reforms we are proposing.

Whilst we progress these important reforms, employers recruiting Apprentices today, and individuals embarking on Apprenticeships, can be confident that these will continue to be valued and supported.

Section 10: Questions

Question 1: How can we ensure that every Apprenticeship delivers substantial new skills?

Question 2: How should we invite and enable employers to come together to design new standards for Apprenticeships?

Question 3: What are your views on the proposed criteria for Apprenticeship standards as set out in Section 2 of this document?

Question 4: Should there be only one standard per Apprentice occupation/job role?

Question 5: Should there be only one qualification per standard?

Question 6: How should we manage the transition from the current system of Apprenticeship frameworks to a new system of employer-designed Apprenticeship standards and qualifications?

Question 7: How can we make sure that the new standards stay relevant to employers, and are not compromised over time?

Question 8: How can we ensure that employers are better engaged with the development and oversight of the assessment in Apprenticeships?

Question 9: How could employers best be involved in the practical delivery of assessment?

Question 10: How can the independence and consistency of assessment in Apprenticeships be further improved?

Question 11: How should we implement end point assessment for Apprenticeships?

Question 12: How should we implement grading for Apprenticeship qualifications?

Question 13: What are the specific obstacles to all Apprentices achieving level 2 English and maths as part of their Apprenticeship, and how could these be overcome?

Question 14: How would a requirement to have all Apprentices achieve level 2 in English and maths impact on employers, providers and potential learners? What are the risks and potential solutions?

Question 15: What further steps, by government or others, could encourage greater diversity and innovation in training delivery to help Apprentices reach

the standards that employers have set?

Question 16: What approach would work best to ensure Apprentices benefit from time to train and reflect away from their day to day workplace?

Question 17: Should off-site learning be made mandatory?

Question 18: How can the process for approving training providers be improved, to help employers find high quality, relevant training?

Question 19: Do you believe that a kitemarking scheme for your sector or profession would add value and be supported?

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Question 22: How can we support employers to engage with learners of all ages to provide information about Apprenticeship opportunities?

Question 23: Do you consider that the proposals set out in this document would have a positive or negative impact on any group, including those with protected characteristics? Please provide any comments or evidence you have for your answer and set out which aspects of the reforms will impact and how these impacts might be managed.

Question 24: Do you have any further comments on the issues in this consultation?

Section 11: Responding to this consultation

When responding, please state whether you are doing so as an individual or representing the views of an organisation. If you are responding on behalf of an organisation, please make it clear who the organisation represents by selecting the appropriate interest group from the consultation form.

You can complete your response via the [online survey](#)

Alternatively, the consultation response form is at Annex A below or available electronically at:

<https://www.gov.uk/government/consultations/future-of-apprenticeships-in-england-richard-review-next-steps>

The form can be submitted, by email or by letter to:

Celia Romain
BIS/DfE Joint Apprenticeships Unit
Department for Business Innovation and Skills
Orchard 1
1 Victoria Street
London
SW1H 0ET
Email: apprenticeships.consultation@bis.gsi.gov.uk

The closing date for responses is Wednesday 22 May 2013.

In developing our future approach we will also draw on responses to the Richard Review itself. Those organisations and individuals, who submitted these need not do so again here, but are invited to highlight any additional points that may be relevant, in particular focused on the questions set out in this document.

Section 12: Confidentiality & data protection

Information provided in response to this consultation, including personal information, may be subject to publication or release to other parties or to disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004). If you want information, including personal data that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

Questions about the policy issues raised in the document can be addressed to:

BIS/DfE Joint Apprenticeships Unit
Department for Business Innovation and Skills
Orchard 1
1 Victoria Street
London
SW1H 0ET
Email: apprenticeships.consultation@bis.gsi.gov.uk

Section 13: Consultation principles

The principles that government departments and other public bodies should adopt for engaging stakeholders when developing policy and legislation are set out in the consultation principles.

<http://www.cabinetoffice.gov.uk/sites/default/files/resources/Consultation-Principles.pdf>

Comments or complaints on the conduct of this consultation

If you wish to comment on the conduct of this consultation or make a complaint about the way this consultation has been conducted, please write to:

John Conway,
BIS Consultation Co-ordinator,
1 Victoria Street,
London
SW1H 0ET

Telephone: 020 7215 6402
Email: john.conway@bis.gsi.gov.uk

Annex A: Response Form



Department
for Education



Department
for Business
Innovation & Skills

The Future of Apprenticeships in England: Next steps from the Richard Review

Response form

The Future of Apprenticeships in England: Next steps from the Richard Review can be found at:

<https://www.gov.uk/government/consultations/future-of-apprenticeships-in-england-richard-review-next-steps>

You can complete your response via the [online survey](#)

The closing date for the consultation is Wednesday 22 May 2013.

Alternatively, you can complete the response form by email or by post. The email and postal addresses are:

Celia Romain
BIS/DfE Joint Apprenticeships Unit
Department for Business Innovation and Skills
Orchard 1
1 Victoria Street
London
SW1H 0ET

Email: apprenticeships.consultation@bis.gsi.gov.uk

The Department may, in accordance with the Code of Practice on Access to Government Information, make available, on public request, individual responses.

Confidentiality and data protection

Please read this question carefully before you start responding to this consultation. The information you provide in response to this consultation, including personal information, may be subject to publication or release to other parties. If you do not want your response published or released then make sure you tick the appropriate box?

- Yes, I would like you to publish or release my response
- No, I don't want you to publish or release my response

Your details

Name:

Organisation (if applicable):

Address:

Telephone:

Email:

Please tick the boxes below that best describe you as a respondent to this consultation

- Business representative organisation
- Independent Training Provider
- College
- Awarding Organisation
- School
- Charity or social enterprise
- Individual
- Legal representative

- Local government
- Large business (over 250 staff)
- Medium business (50 to 250 staff)
- Small business (10 to 49 staff)
- Micro business (up to 9 staff)
- Professional body
- Trade union or staff association
- Other (please describe)

Question 1: How can we ensure that every Apprenticeship delivers substantial new skills?

Question 2: How should we invite and enable employers to come together to design new standards for Apprenticeships?

Question 3: What are your views on the proposed criteria for Apprenticeship standards as set out in Section 2 of this document?

Q4: Should there be only one standard per Apprentice occupation/job role?

Yes No Don't know

Please explain your response:

Question 5: Should there be only one qualification per standard?

Yes

No

Don't know

Please explain your response:

Question 6: How should we manage the transition from the current system of Apprenticeship frameworks to a new system of employer-designed Apprenticeship standards and qualifications?

Question 7: How can we make sure that the new standards stay relevant to employers, and are not compromised over time?

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Question 16: What approach would work best to ensure Apprentices benefit from time to train and reflect away from their day to day workplace?

Question 17: Should off-site learning be made mandatory?

Yes

No

Don't know

Please explain your response:

Question 18: How can the process for approving training providers be improved, to help employers find high quality, relevant training?

Question 19: Do you believe that a kitemarking scheme for your sector or profession would add value and be supported?

Yes

No

Don't know

Please explain your response:

Question 20: What more can government do to facilitate effective third party/external use of its data to better inform individuals and employers about Apprenticeships?

Question 21: What approaches are effective to inform young people and their parents about the opportunities provided by an Apprenticeship?

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Question 23: Do you consider that the proposals set out in this document would have a positive or negative impact on any group, including those with protected characteristics? Please provide any comments or evidence you have for your answer and set out which aspects of the reforms will impact and how these impacts might be managed.

Question 24: Do you have any further comments on the issues in this consultation?

Annex B: Terms of reference for Richard Review

Summary

1. The government wishes to commission an independent review of Apprenticeships in England, to ensure that in the future the programme is meeting the needs of the changing economy, consistently delivers the professionally recognised qualifications and skills which employers and learners need, and is maximising the impact of government investment.

Detail

2. To be led by a senior, independent business figure, the review should take critical look at apprenticeships and look to identify a set of principles and priorities for the optimal content of future Apprenticeships, to ensure that every Apprenticeship delivers new high quality training and professionally recognised qualifications.

3. The review should identify the best of current practice and recommend ways to extend this.

4. Key questions to be considered include:

- What should the core components of an Apprenticeship be - to meet the needs of employers (large and small), individuals, and the wider economy?
- Who should Apprenticeships be for – which types of learners and employers can benefit most from apprenticeships?
- Are there elements of apprenticeships which should be simplified or stripped back?
- Are the qualifications which are undertaken as part of an Apprenticeship sufficiently rigorous, and recognised and valued by employers?
- How should delivery arrangements adequately ensure all that Apprenticeships provide significant new learning and acquisition of new skills, rather than the accreditation of existing ones?
- Are there opportunities to improve the impact and value for money of public investment in apprenticeships?

Timing

5. The review should report in autumn 2012.



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This publication is also available online at www.gov.uk/bis
Any enquiries regarding this publication should be sent to:

Department for Business, Innovation and Skills
1 Victoria Street
London SW1H 0ET
Tel: 020 7215 5000

If you require this publication in an alternative format, email enquiries@bis.gsi.gov.uk, or call 020 7215 5000.

BIS/13/577

Employer Ownership of Skills

Louise Timperley



Greater Manchester
Chamber of Commerce
Connect. Communicate. Create.

What is EOS?



The Employer Ownership of Skills pilot is a competitive fund open to employers to invest in their current and future workforce in England

Employers were invited to develop proposals that raise skills, create jobs, and drive enterprise and economic growth

Government will invest in projects in which employers are also prepared to commit their own funds/facilities in order to make better use of our combined resources

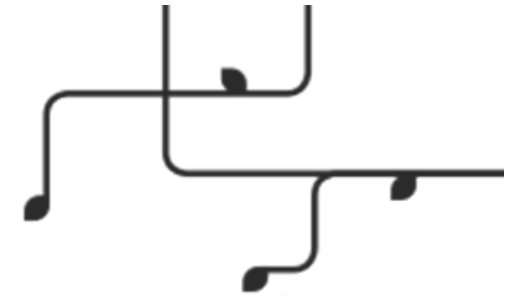
What is EOS cont....

Employers have the opportunity to create new and innovative training courses to up skill their employees and strengthen their business

GMCC have successfully secured a substantial amount of EOS funding: £8.5 million from BIS



GM Chamber Role



GM Bid was led by MAN Diesel & Turbo UK Limited, Stockport. Management of the bid was delegated to GM Chamber

Chamber act as 'grant recipients' for the money i.e. we hold the purse strings. Funding goes to the employer to buy the training that they need

Our EOS is heavily focussed on creating new apprenticeship jobs

We are committed to delivering 1850 qualifications to employees in businesses across Greater Manchester in this time frame

Out of the 1850, we will deliver:

410: 16 – 18 year old apprenticeships

763: 19+ apprenticeships

670: 19+ other qualifications

All qualifications must have commenced by 30 June 2014

Structure/Governance

EOS Leadership Board

Chaired by Wayne Jones – MAN Diesel & Turbo

Sector focussed Employer Skills Groups (ESG's) x 15 with private sector chair.

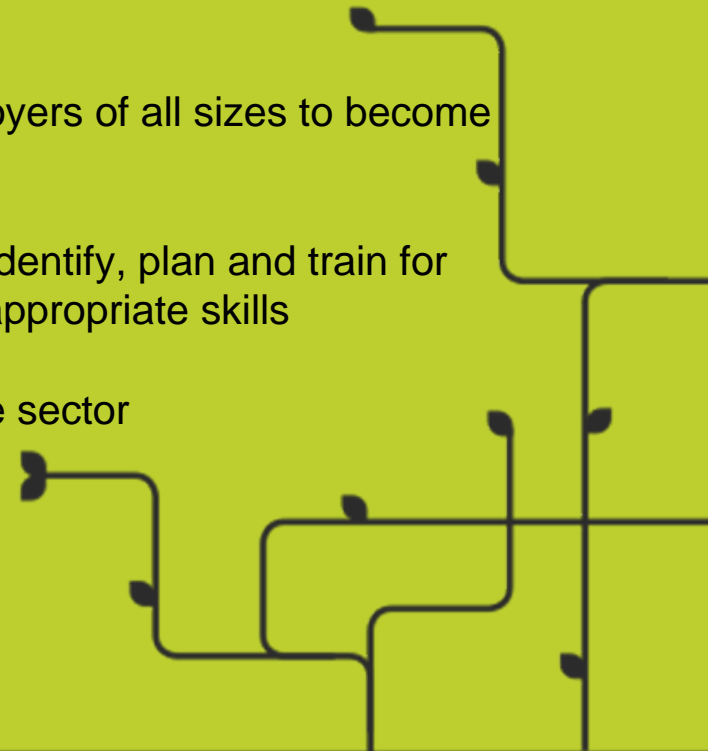
Remit:

To provide leadership and engage other sector employers of all sizes to become involved in the skills agenda

To encourage collaboration, using joint resources to identify, plan and train for the sector in order to develop the most relevant and appropriate skills

Identify barriers to growth and development within the sector

Articulate demand in a way that requires training providers to be more responsive & flexible



Sector Focus

Engineering
Manufacturing
IT, Digital and Creative
Energy & Low Carbon
Construction
Hospitality
Health & Social Care
Housing
Textiles
Financial Services
Security
Logistics
Legal
Sales & Marketing
Spatial (Airport City, NOMA, East Manchester)

Contact details for sector leads are on GM Chamber Website

www.gmchamber.co.uk



Three emerging delivery models:



Option 1

- **Employer selects a college/training provider**
- Paralegal Apprenticeship



Option 2

- **Employer co-delivers with a provider**
- Robinsons Brewery, Stockport
- Unilin, Trafford Park



Option 3

- **Employer delivers themselves – becomes an accredited centre** - trains for own need & in some cases their supply chain
- ANS Group, Hulme
- Rocketfish, Manchester

Getting involved

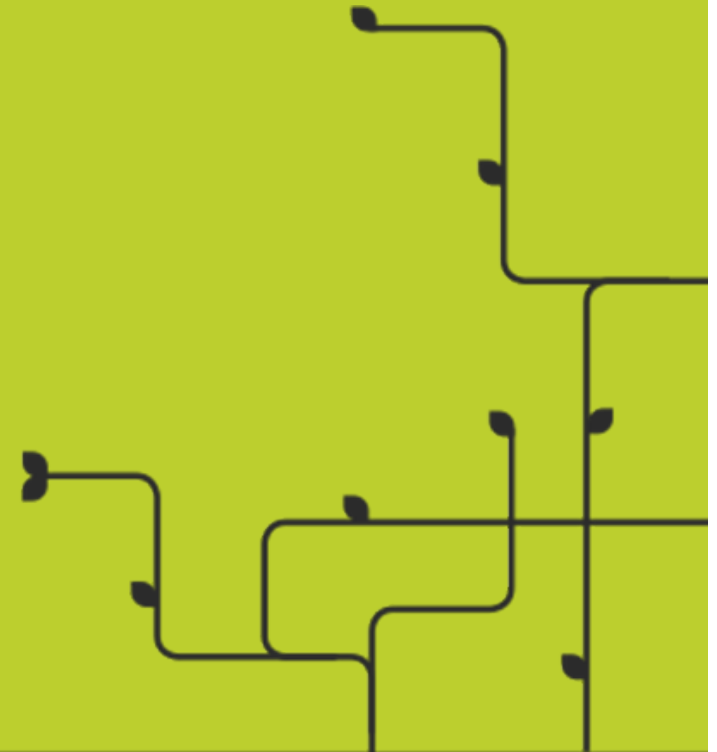
Recruit apprentices & access EOS funds

Be involved in the design & delivery of training

Join an ESG (Employer Skills Group)

ESG will hold the funding allocation for that sector
Approve applications for funding

Meet every 4-6 weeks



Getting involved

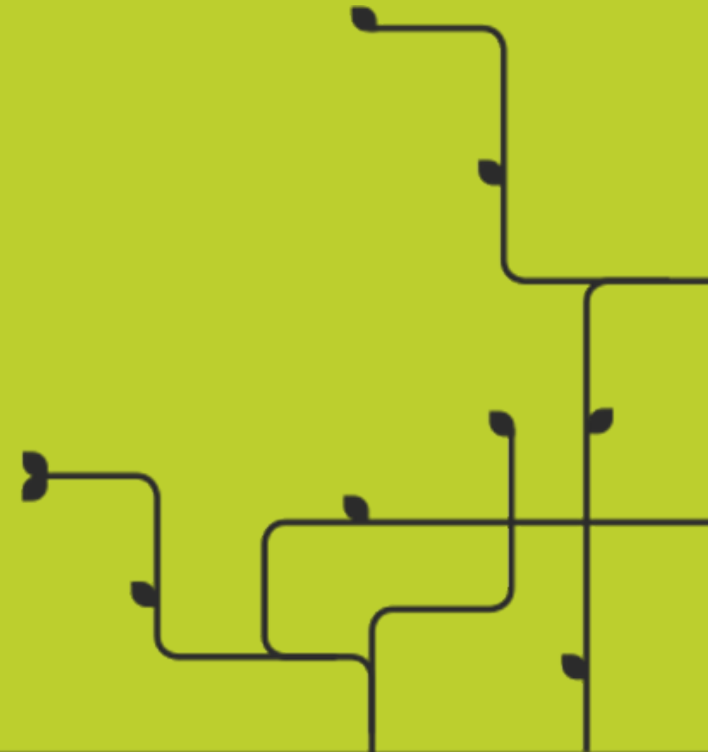
Recruit apprentices & access EOS funds

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ESG will hold the funding allocation for that sector
Approve applications for funding

Meet every 4-6 weeks



Any questions?



Greater Manchester
Chamber of Commerce
Connect. Communicate. Create.

Appendix 3 – Manchester IAG Activity

Manchester IAG Activity

In January 2013, Manchester delivered a successful 'Have a Go' event at the Etihad Stadium. This has now assisted Greater Manchester Learning Provider Network (GMLPN) to secure £150k to roll out Have A Go activity events across GM. Further activity of this type will take place in partnership with World Skills, with the aim of assisting young people to develop aspirations and make informed decisions around career opportunities.

Another 'Have a Go' event will be held in January 2014 again at the Etihad Stadium.

Following the successful pilot of the Apprenticeship Ambassador Programme in Manchester MCC Economic Development have been awarded funds via City Deal to develop the model further and roll out the offer across Greater Manchester.

In partnership with SharpFutures, EDU developed a Creative Digital Experience Day that saw 5 schools from North and East Manchester. It is envisaged that the remaining schools from across the city will now be engaged and offered the chance to attend similar activity over the next 12 months

In Community and Cultural Services, the Culture Team has been working with cultural organisations to create new entry level roles, including apprenticeships for Manchester residents. On the back of the successful launch of a new Creative Apprenticeship programme and the placement of 100 Future Jobs Fund roles with cultural sector partners, the team has coordinated a consortium bid for the national Creative Employment Programme (CEP).

The success of a £148k Manchester consortium application was announced in August which will enable the creation of 57 jobs (16 apprenticeships and 41 six month long internship roles) for unemployed young Manchester residents. Curious Minds, an organisation promoting young people's engagement in arts and culture, is partnering with the Manchester CEP to support up to 5 disadvantaged and vulnerable young apprentices on the programme. The programme also benefits from a partnership with Job Centre Plus and with Resonate and Local Business Partners who are providing business links.

The 17 organisations creating roles are; Contact Theatre, Comma Press, FutureEverything, Cornerhouse, Manchester Digital Laboratory (MadLab), NOISEfestival.com, the Palace Theatre and Opera House (The Ambassador Theatre Group Ltd), the Royal Exchange Theatre, Square Circle Theatre, Walk The Plank, Manchester Museums and Galleries Partnership, Z-arts, Art with a Heart, Cute Maps, Dance Initiative Greater Manchester, Company Chameleon and hÅb. Band on the Wall and Victoria Baths have also successfully applied directly to the CEP to create apprenticeship roles and it is envisaged that further consortium bids will be submitted over the remaining 18 months of the programme.

Manchester City Council and its partners no longer refer to the work we are undertaking as Manchester People into Construction (MPiC) as this scheme has now

ended. Work is now undertaken with North West Construction Hub (NWCH) and MCC have an Added Value Coordinator who works in partnership with the Greater Manchester Chamber of Commerce Construction GTA to support shared apprentices.

Work is currently taking place to ensure opportunities for Manchester residents are made available, below is information on those developments.

First Street Development / City Centre:

This partnership includes Ask Development, Manchester City Council, Carillion, Wates, the Greater Manchester Chamber of Commerce and the Arts Council England. The First Street North Development is an £80m scheme which includes a new cultural facility "HOME" at First Street, the construction of a 208 bedroom 4* hotel, 700 space multi-storey car park, retail facilities and extensive public realm work at First Street development.

To ensure the apprenticeships created through the shared apprenticeship scheme are sustainable, we have also included One St. Peter's Square, Alex Park and Moston Fields Primary School's work programmes when planning the 'apprentice journey'.

To date the partnership agreement has an agreed 14 opportunities, however, we have identified 19 apprenticeship opportunities in total of which:

- 3 are sustained (current)
- 16 are project initiated (new)

All the above opportunities will be delivered through the Greater Manchester Chamber of Commerce Construction GTA shared apprenticeship scheme. Carillion are also supporting additional apprentices on site, through Carillion Training Services (CTS) in Bricklaying and Joinery.

Work is currently underway to recruit for the first 9 opportunities (due to start on site over the next two months) and recruitment is open throughout September.

Trades currently being recruited include:

- General Construction Operative (Groundwork)
- Project Support (Business Admin)
- Electrical
- Plumbing
- Scaffolding
- Quantity Surveying
- Joinery
- Dry lining and Plastering
- Painting & Decorating
- Logistics

Town Hall Project:

The latest figures from Laing O'Rourke who are all directly employed apprentices:

- 63 project initiated apprentices (target 66)
- 51 have been recruited on a guaranteed 2 year initiated placement Scheme (GTA)
- 22 have been sustained through the apprentice programmes (target 19)

Manchester City Football Academy:

Colleagues from East Manchester Regeneration and NWCH are continuing to support employers with advice and guidance around apprenticeships. The last figures (a combination of directly employed and GTA apprentices are as follows):

- 16 sustained apprentices
- 6 project initiated apprentices
- 33 people studying towards NVQ level 2 or above which includes the apprenticeships.

University of Manchester:

The GTA is working with University of Manchester to support 10 project initiated apprentices. The recruitment of these individuals is taking place as part of the summer recruitment campaign.