

# The Independent Apprenticeship Policy Group



## Second Challenge:

Is the apprenticeship provider system (FE colleges, private training providers, employers and universities - referred to collectively as 'providers' throughout this report) adequately supporting, and supported to grow, apprenticeship numbers and quality?

# 1. Are providers being adequately supported to grow apprenticeship numbers?

As the government has introduced a more ‘employer-led’ system, the role of providers has been given less attention on the basis that it was simply assumed they would fit around the needs of employers. While there is some merit to this approach, it has raised a few concerns about whether providers now receive the necessary support. For example, the question of whether providers can access sufficient funding from government to deliver the new, larger and more rigorous standards may not have been considered in enough detail. In some cases, recent funding band reductions have already caused providers to pull out of the market for particular standards. The fact that funding for non-levy payers is being restricted has also forced providers to reduce, if not cease, activity in some local areas because the non-levy contracts have a huge influence over the volume of training delivered by providers.

The Institute for Apprenticeships and Technical Education (IFATE) was felt to have a crucial role in ensuring that providers can deliver the volume of training that employers expect. Even so, there have been problems with the IFATE during its early operations regarding their communication with providers as well as the level of transparency over the decisions they make on funding, quality assurance and standards. The timescales for the IFATE to not only approve, but also update standards, is another area of concern, particularly when the rapidly changing labour market in some sectors (including, but not limited to, the introduction of new technology) will change the way that training must be delivered.

## Questions

- On what basis are funding bands being calculated, and what could potentially be done to improve the way that funding bands are set?
- How easily can providers cope with changes in funding bands, and what implications are these changes having on the provider base?
- What can be done to improve the way that the IFATE interacts with providers in the future?

- Are providers able to adapt to major shifts in the labour market through the existing rules and processes for designing and delivering apprenticeships?
- Are apprenticeship standards going to be updated in a timely manner from the perspective of employers and providers?

## 2. Are providers helping to grow apprenticeships numbers?

Despite years of on-going reforms to the apprenticeship system, providers remain keen to expand apprenticeship opportunities. That said, providers are showing signs of responding directly to government incentives even though this is leading to some potentially undesirable outcomes. For example, the apprenticeship levy has dramatically reduced the incentive for providers to offer opportunities for young people. While there are still very small incentives available to some employers for taking on 16 to 18-year-olds, these are significantly less attractive than the incentives in place before the levy was introduced. As an all-age system, providers have also been encouraged by the levy system to deliver more training for older and existing employees as well as young learners entering a profession for the first time.

A separate issue is that, even if providers are keen to engage with young people, they often encounter barriers to achieving this. Some providers are still struggling to gain access to pupils in secondary schools to promote apprenticeships, which is typically the result of hesitance on the part of some schools to allow other organisations to offer their pupils a wider range of opportunities. It is also unclear whether the introduction of T-levels will affect providers' ability to attract people into apprenticeships. This is particularly relevant for the provision of work placements for T-levels, as employers are unlikely to be able to continue offering the same number of apprenticeships if they are also expected to reserve some capacity for T-level placements as well. On a related note, the considerable regional variations that still exist in the

number of apprenticeship opportunities available to learners has been given minimal attention since the levy started in 2017.

## Questions

- What impact are the funding incentives for taking on younger apprentices having on providers and employers, and do any changes need to be made to these incentives?
- How much of the apprenticeships programme should be directed at older and / or existing employees as opposed to younger learners who may be new to the workplace?
- Is the breadth of the apprenticeships programme in terms of who it is trying to support a strength or a weakness?
- What effect has the 'Baker Clause' had on providers and their ability to inform young people about the apprenticeship opportunities available to them, and do any adjustments need to be made to this approach?
- Are T-levels likely to affect how providers and employers organise and deliver apprenticeships in future?
- What can, and should, be done about regional inequalities in apprenticeship opportunities?

## 3. How are providers dealing with apprenticeship quality and the apprenticeship brand?

The lack of a recognised quality mark for apprenticeships was thought to be an issue that warrants further discussion. Other countries sometimes use professional body branding to help demonstrate the importance of the credentials that an apprentice has acquired which provides an element of confidence for the apprentice undertaking the apprenticeship. Some, but not all, professional bodies in the UK do this. The fact that the apprenticeship brand has changed so much in recent years has also made it harder for providers to give the right information to learners about the options available to them.

The lack of widely-recognised ‘quality metrics’ for the apprenticeship programme was also a potential barrier to providers focusing on the right elements of delivery. For example, the responsibility among government-funded agencies to monitor and improve quality is becoming increasingly confused and fragmented, as demonstrated by the recent decision to hand powers for assessing the quality of higher-level apprenticeships to the Office for Students rather than OFSTED even though the Office for Students has no powers to inspect provision.

## Questions

- How attractive is the apprenticeship brand to young people?
- Has enough been done to ensure that the apprenticeship brand conveys the right messages about the programme?
- Should UCAS play a greater role in improving the visibility of, and access to, apprenticeships?
- Which government bodies and agencies should be involved in assessing apprenticeship quality, and how should they approach this?

## About the Independent Apprenticeship Policy Group

Led by Neil Carmichael - former Education Select Committee Chair, Honorary Professor of Politics and Education, University of Nottingham, and UCL, Chief Executive of UCEC (Education China), and a Board Member for Strategy, FN Robotics (China) - the Independent Apprenticeship Policy Group is a group of independent experts brought together to provide a clear and independent overview of the challenges facing the apprenticeship system in the UK, generate practical solutions as well as creating a public dialogue. The independent body of work will contribute to a long-term vision for apprenticeships. For more information about the Group and overview of the challenges, visit [qualifications.pearson.com/IAPG](http://qualifications.pearson.com/IAPG).

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