

Building Skills, Transforming Lives – a Training and Apprenticeships Revolution: Opportunity Agenda Policy Green Paper No.7

Introduction

The Association of Learning Providers (ALP) represents the interests of a range of organisations delivering state-funded vocational learning. The majority of our 450 member organisations are independent providers holding contracts with the Learning and Skills Council (LSC) for the delivery of Train to Gain, Apprenticeships programmes and E2E, with 80 delivering Jobcentre Plus (JCP) provision and 30 contracted to Ufi for the delivery of Learndirect. We do, however, also have circa 60 colleges in membership. In addition to these members, we have a number of non-delivery organisations such as the QCA, SSCs and awarding bodies as Associate Members, which means that ALP offers a well rounded and comprehensive perspective and insight on matters relating to its remit.

Overview

Whilst recognising much of merit in this consultation document, ALP does have some concerns about some aspects of the proposed policies. We welcome the acceptance of the critical importance of Apprenticeships in addressing skills gaps and the desire to ensure that new providers are enabled to enter the market – a market where providers are freed from pointless bureaucracy and where funding follows the learner. We are concerned, however, that putting the burden of dealing with the bureaucracy which is inevitable whenever government funding is accessed – however much it is intended this be reduced under these proposals – onto employers is not the answer.

There are some (but not many) employers that have the infrastructure and inclination to take this on themselves, but we know that the vast majority far prefer to access the support of training providers – expert both in dealing with government ‘red tape’ and arranging effective training – rather than try to do it themselves. Whilst employers could still continue to sub-contract much of the training element of Apprenticeships to these experts if the proposals in this document are implemented, we believe many would still find the requirements of accessing the funding too onerous, as much of the real ‘bureaucracy’ could not be passed on, eg Ofsted inspections, financial audit, etc. As a result we can see that the number of employers offering Apprenticeships would actually decline if these proposals are implemented.

We also share the reservations about 'programme-led' Apprenticeships, where these do not lead into an Apprenticeship proper – which must always be a real job working with an employer. Indeed, we have long argued that the term Programme-led Apprenticeship should not be used, preferring to call them programme-led pathways.

We are a little concerned that the proposals seem to concentrate solely on colleges – who certainly will have a key and important role to play as we develop the skills of our workforce – and overlook the vital role that work based learning (WBL) providers must also play if the vision is to be achieved. WBL providers traditionally deliver over 50% - the majority – of Apprenticeships. We would welcome the opportunity to discuss this further at any time.

A massive expansion in the provision of real Apprenticeships

As mentioned above, ALP has always believed that only those training programmes that are real jobs, in the workplace, should be described as Apprenticeships. Programme-led pathways have their place, offering some young people who are not yet able to access the workplace route as an Apprentice the opportunity to gain some of the supporting knowledge they will require in their chosen occupation – but they are not Apprenticeships and to call them that devalues the Apprenticeship 'brand'.

We support the proposals for boosting the number of Apprenticeship opportunities and would wish to be involved as plans for routing more funding to Group Training Associations are developed, especially as most GTAs are members of ALP. We have already facilitated a meeting between the Conservative Party (John Hayes) and some of our GTA members which hopefully have already influenced the proposals set out in this document. The GTA is a strong model which has been about for over forty years and has much to recommend it.

We also support the proposal to introduce a £60 million Business Skills Development Fund to promote non-Apprenticeship skills that businesses need and employees want. Too often innovative ideas come to nothing because there is no way to access any pump priming funding to support them.

More community learning to improve skills and employability

ALP has been concerned for some time that there is currently no proper provision for some young people that are unlikely to want to go on to college (having already rejected the academic route) but are not yet suitable for Apprenticeships. We would be keen to discuss how this group of young people – the potential 'NEETs' – might best be helped. We are concerned that the proposals talk about the NEET fund being available to FE colleges – at the moment the majority of the most effective support available to this disadvantaged group of young people – the E2E programme – is delivered by WBL providers. There is a real danger that if this fund is solely available to colleges much very effective provision will be lost. The independent providers offering this provision (which include many Third Sector players such as

Rathbone, YMCA, NACRO, etc) have much expertise and this must be harnessed in any plans for helping these youngsters.

We are interested in the proposals for a major investment in an adult Community Learning Fund. We note that the proposals talk about 'courses' and believe that this fund, like the NEET fund mentioned above, should not be restricted solely to supporting college courses, but be available for other appropriate initiatives that might be developed by independent and WBL providers. We have always argued that access to government funding should be based on the ability to deliver to the quality of provision required, and not on the nature of the institution. The market has been substantially opened up as a result of ALP pressure and the continued development of this market focused approach should not be reversed.

Supply-side reform to set further education free

Naturally we welcome any proposals that will reduce the levels of bureaucracy and unnecessary inspection audits on providers. We note that the commitment is to reduce this for FE colleges and hope that this is merely an oversight, and any changes will also apply to independent and WBL providers, especially as one stated aim is that "new providers will be allowed to enter the FE sector and compete to attract more people into learning and skills programmed, expanding choice and raising standards right through the sector". We support this vision, which has long been one of ALP's key aims, and one that we have been arguing for since our inception.

The proposals for a slimmed down 'Funding Council' sound feasible if there is no longer a planning requirement on the body, under a demand-led system with funding following the learner. We accept the need for SSCs to have the responsibility for accrediting courses, but would urge the need to involve providers in the process to ensure that provision is realistically designed and deliverable.

A revolution in careers advice

Another need consistently argued for by ALP in almost every consultation response is the need for better – and impartial – information, advice and guidance (IAG), ideally an all-age service. There is a danger that if careers advisers are based in schools and colleges vested interest might mean that the truly impartial IAG needed is not in fact provided.

Some specific comments

1.2.1 Bureaucracy stifling local innovation

We mentioned above our concern that this does not recognise the vital role that WBL providers currently have in supporting NEETS and potential NEETs. Colleges have much to offer, but the role of WBL must not be overlooked or much valuable expertise – and important opportunities for these young people – will be lost. It must be remembered that this is a group of young people that have usually rejected or not been served well by the school/academic route and so would tend not to favour the college route – WBL is often far preferable.

We agree that bureaucracy within the FE system is excessive and would welcome the opportunity to be involved in plans to reduce this to the minimum required to run the programmes effectively whilst maintaining the quality of provision. ALP is currently involved in the plans for moving towards greater self regulation of the sector, and would hope that this would continue under the Conservative proposals.

1.2.2 Yet more quangos and oversight

ALP has already voiced its reservations about the current government's 'Machinery of Government' (MoG) plans which will leave many providers having to deal with three (or more) funding bodies (and their different systems). We would welcome moves to simplify the system. The problems for colleges identified in the green paper will prove even greater for independent providers who tend not to be as closely linked to a specific geographical area as colleges are. For multi-region and national providers any suggestion of commissioning being undertaken by local authorities would be seen as a disaster – for them a single contract would be best.

1.2.3 Bureaucratic targets and funding rules

We agree and have been a major advocate arguing for a demand-led system, focusing on the needs of employers and learners.

1.3 Real Apprenticeships in decline

We are concerned that the picture outlined is not accurate. Numbers of Apprenticeships have increased and in particular the number of young people completing their Apprenticeship has gone up dramatically in recent years. It is true that more employers are needed if the number of Apprenticeships is to increase, but the proposals in this document display a fundamental misunderstanding about how the Apprenticeship route operates. Whilst a few of the large employers, mainly the 'blue chip' companies, do recruit young people directly into Apprenticeships, the vast majority of Apprentices are not recruited in this way. What happens is that a training provider persuades an employer to put an existing employee onto an Apprenticeship programme, ie training providers act as the recruitment mechanism for Apprenticeships – and they do this extremely well.

The main thing that prevents them from increasing the number of employers putting their young employees onto an Apprenticeship programme is the restrictive nature of the contract, currently with the LSC, which limits the numbers they can put onto the programme. Indeed, we have been trying to persuade the LSC to free up providers to market Apprenticeships more widely, passing on those young people they are unable to service themselves to others offering the appropriate provision. This could be done very easily if providers were suitably paid for this work.

We have touched earlier on our reservations about Programme-led Apprenticeships – or programme-led pathways as we prefer to call them – and will not repeat them here. It is not possible to achieve the full requirements of an Apprenticeship framework without having set foot in a

workplace as no young person can actually complete their Apprenticeship without the employer-led element – until that point they are not an Apprentice and should not be termed one. We share many of the reservations expressed in the document about young people taking inappropriate courses which will not in fact allow them to move into an Apprenticeship proper – a job with an employer – further down the line. This will only serve to disillusion the learner and make them less inclined to go onto a worthwhile work-based learning opportunity should one arise. We certainly agree that all schemes should not be called Apprenticeships regardless of their level of technical education and employer involvement – the value of the Apprenticeship brand must be protected.

We do not accept that level 2 Apprenticeships are not ‘real’ Apprenticeships, and that only level 3 should count. We feel that there needs to be some form of ‘tiered’ family of Apprenticeships, as proposed in 1993, when Modern Apprenticeships were developed. These should range from Foundation, through Basic and Advanced, to Graduate, allowing them to pick up the full range of abilities and link closely into opportunities to go into Foundation Degrees and HE more generally.¹

We recognise the burdens on employers of the current system. A significant value added offered by training providers is that they take this burden away from employers. It is all very well to talk about reducing the bureaucracy in order to encourage more employers to get involved, but as the green paper points out in paragraph 1.3.4, “It is not practical to remove all administration”. This is very true and we believe that even if reduced most employers would still find the minimum of inspection and auditing more than they would be prepared, or able, to undertake. By all means have a system where employers can choose to contract direct if they wish, but please do not discourage the use of the expert providers who know the system and how it operates or many employers will simply walk away. Even if they can then still sub-contract much of the training on to providers many will find the contract requirements too onerous when they look into it and decide against the Apprenticeship route for their employees.

We also believe that the move to route funding for Apprenticeships through employers will threaten the current national funding rates. Experience has shown that moving to a system whereby providers bid for the work on the basis of price will inevitably threaten quality as providers deliver can only deliver the training within the resources available to them.

1.4 Lack of information and choice

As stated earlier, the lack of impartial information, advice and guidance is a long standing concern of ALP – and also that IAG is vitally important to help learners make the right choices and choose the route best suited to their needs. We are always concerned when we see plans to place advisers in the

¹ ALP has just produced a discussion paper, ‘Time for the next phase of development for Apprenticeships’, which expands these ideas. This is reproduced as Appendix 1 to this response.

institutions that will potentially provide the training as there will inevitably be a vested interest in where the learner goes.

We believe there should be an all-age, impartial IAG service focused specifically on training needs,

We welcome view that more flexibility is needed in the provision of training courses – and agree that people need to be able to pursue learning when the time is right for them and in a way that meets their needs. We too have argued that restricting government funding solely to courses leading to full qualifications is too restrictive.

Although there have been problems with Train to Gain we believe that the fundamental concept is correct, ie there needs to be an employer facing service helping employers meet their workforce development needs. In reality in its current form it has proved too inflexible to meet the needs of many learners but recent changes will improve take up. One of the biggest problems has been that funding has not been sufficient to provide the level of training often required, and we believe that if that is addressed there would be a significant change in the learning opportunities on offer, especially if the eligibility restrictions were reduced and allowed more people to access the programme. The green paper also suggests that accrediting existing skills does little to add value – we disagree, as for many people the achievement of their first recognised qualification provides the spur to encourage them to go to learn more, new skills. There might be some refocusing but we believe that this should be aimed at opening up the service to more customers – employers and individuals alike.

If a decision is taken to divert the funds planned for Train to Gain into supporting more Apprenticeships – a move we do not agree with – we would argue that our proposals (set out earlier in this document) for a ‘tiered’ system of Apprenticeships are developed, so that all learners can be accommodated whatever their existing level of learning or abilities. We would very much wish to be involved in any development of the Apprenticeship ‘family’ in line with our suggestions.

ALP response to the proposals in section 2.

1. We agree that the current system is too bureaucratic, inflexible and restrictive.
2. We agree that the supply of training should be freed up and government support should be genuinely driven by the demands of learners and employers.
3. We agree that there is room to improve Train to Gain but we do not believe the changes set out in the document are the right answer.
4. We welcome the recognition of the need to strip out the burdens from FE funding and inspection.

5. We agree the need to improve the careers advice service, but are not convinced the proposals set out are the best way to achieve this.
6. We welcome plans to boost the provision of what are described here as 'real' Apprenticeships – in fact the only type of Apprenticeship ALP members have ever recognised.
7. We are interested to learn more about the Lifelong Learning Account (LiLA) and how this might operate. We do not believe that routing the funding via the employer is always the best route, and believe that if this becomes virtually the sole route numbers of Apprentices will actually decline.
8. We welcome the suggestion that Government Departments need to play a greater part in provision of Apprenticeship places.
9. We welcome the establishment of a Business Development Fund of £60 million to support innovative or important workplace training schemes, and would wish to be involved as plans for this are worked up.
10. We support the idea of a £100 million Community Learning Fund, but do not believe this should be restricted to FE colleges. It should be accessible to any provider able to offer suitable opportunities to the learners.
11. We welcome the provision of an additional £100 million of targeted support for 'NEETs' and are pleased that section 2.1.2 recognises that this provision can be delivered through locally based training providers including, but not only, FE colleges.
12. We welcome proposals to reduce unnecessary bureaucracy from FE colleges – but would argue that the same reductions should be applied to all providers.
13. We welcome the proposal that supply of training be opened up with a new streamlined funding model to attract more providers into the FE sector, resulting in greater competition and choice – we would like to be involved as this new model is developed, to ensure it does operate more effectively than currently, preferably with a single funding body.
14. We particularly welcome the statement that the proposed funding structure "will treat public and private sector training providers similarly". We assume that this would also include the not for profit and other Third Sector providers.
15. We agree the need for greater self regulation of the sector.
16. We agree the SSCs must have a key role in accrediting courses, but believe that providers need to be involved to ensure that they are deliverable.

17. We would like more information on the plans to expand access to Apprenticeships by removing restrictions on access and tackling barriers to provision. Whilst this opening up is of course welcome, it must not be at the cost of quality. In recent years Apprenticeships have demonstrated an ever increasing success rate, and become recognised as the quality they rightly are – this must not be threatened. They must continue to deliver a clearly recognised standard of training and any overhaul of the framework undertaken should fully involve the training providers who will be delivering the programmes.
18. We will support any plans to build parity of esteem between Apprenticeships and academic routes.
19. Whilst we support the leading role of employers in Apprenticeships, we disagree with the view that direct funding via employers should be the only (mandatory) route (we have explained why in detail earlier in the document).
20. We are anxious to learn more about the LiLA – which we feel should be spent by learners with the employer or learning provider of their choice.
21. We support the proposals for setting up more GTAs – the model has much to offer for many employers, especially if rolled out into new sectors. This should not, however, become the sole model.
22. We do not believe the proposals to reduce the bureaucracy for employers and paying government support direct to them will encourage more to become involved in Apprenticeships – indeed as we have stated earlier in this response, we fear it will have the opposite effect. We would welcome the opportunity to discuss these concerns in more detail.

Summary

Whilst there is much of value in these proposals we believe that there are some real dangers that have not been fully recognised yet. We would welcome the opportunity to be involved as the Conservative Party continues to develop its proposals for our sector.

Any questions or queries about this response should be directed in the first instance to:

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Time for the next phase of development for Apprenticeships

Since 1994 when the Government of the day first took a funding interest in Apprenticeships, which until then had been totally employer designed and funded, there has been two major developments. The Modern Apprenticeship, launched in 1994, was positioned at the level of NVQ3, and the first major modification was the introduction of Apprenticeships at level 2 with the level 3 variety being renamed Advanced Apprenticeships. This year there has been a significant and widely welcomed expansion of Adult Apprenticeships.

The current administration, through the LSC, have been preparing to position Apprenticeships (at both levels) under the umbrella brand of Train to Gain – the recently introduced ‘programme’ for employed adults, which was focused originally on funding basic skills and ‘first level 2’ qualifications. This year new flexibilities have been introduced with more level 3 opportunities being funded. Whilst these have been welcomed inconsistencies, overlap and even conflicts with the Adult Apprenticeship programme have been emerging.

The Conservative proposals recently published suggest the scrapping of Train to Gain, reinvesting the relevant funding into a much expanded Apprenticeship programme.

The view of ALP, whose members deliver the majority of both Apprenticeships and Train to Gain opportunities, is that neither of these approaches will meet the needs for skill development over the next few years and a new development under the well respected Apprenticeship brand is required.

Time for a four-level, all-age Apprenticeship programme

One of many aspects of Apprenticeships which must be retained in any development is the maintenance of employer leadership and design. It must remain the ‘norm’ that Apprenticeships are a training programme for employees – not a government funded scheme for the unemployed. Whilst maintaining and protecting employer leadership including Apprenticeship framework design, future frameworks must even more transparently indicate exactly what the Government is buying for its significant – albeit minority – financial contribution. In simple terms, they are purchasing breadth and transferability on behalf of the individual, with the employers funding the development of specific, targeted skills relevant to their business needs.

Ensuring this critical core element is retained, the time is now right to pull together the whole gambit of Government supported programmes for employed workers, young and old, and incorporate them into a four level programme under the Apprenticeship brand. The level 2 and level 3 Apprenticeships are already in place, though it might be helpful to review their titles. Following the increasing preparedness of employers to see their Apprentices progress to level 4 and/or beyond, it is proposed to formally adopt the term Graduate Apprenticeship. This would be ideally positioned to incorporate the increasingly popular Foundation Degrees as well as the range of level 4 NVQs available. It would also more formally recognise the established practice over many decades within business where 'ex-apprentices' are sponsored on through higher education. Indeed, some companies have for many years used the term graduate apprenticeships although this has not been universally adopted. Such a package would easily incorporate the growing Train to Gain options in the adult market, which now are able to part fund second level 2s, level 3s and indeed level 4s. It would also deal with the increasing anomaly of trying to position these Train to Gain offerings alongside the massively popular Adult Apprenticeship programmes that have been developed and expanded so successfully this year.

Such a development would effectively merge all the level 2 and above offerings under Train to Gain with all the 19+ Apprenticeship elements, rationalising and clarifying a simple progression suite of Apprenticeship options. A concept much easier to promote under a common, well understood and respected brand – Apprenticeships. The Government could determine a simple system of paying for breadth and transferability, with the employer continuing to fund the bulk of the programme, primarily but not solely through the payment of wages. The Government would also remain free to decide whether to restrict funding to those following a full Apprenticeship framework only, or whether to support separate elements or modules representing a part of a framework, such as an NVQ, key skills or a technical certificate.

The more complex part of this proposal relates to the pre-level 2 provision, covered at present by E2E and programme-led apprenticeships for young people, and Train to Gain for adults, particularly that which focuses on 'remedial' basic/key skill training.

There is a strong body of thought that would argue that it is not appropriate to brand such basic levels of training as 'Apprenticeships', and another strongly and broadly held view that the term apprenticeship should only be used for trainees actually in employment, in receipt of a proper wage.

There is, however, a strong argument for an all-age pre-Apprenticeship programme that is **employer located** (as opposed to off the job training without any direct workplace experience). The use of a 'pre-Apprenticeship' label would capture the benefits of the brand without devaluing it. Those on a pre-Apprenticeship module would not be Apprentices but would be clearly on route to one and be part of a simple and clearly defined Apprenticeship family. An alternative title might be 'Foundation Apprenticeship' which would

strengthen the picture of being a part of the Apprenticeship family, but might worry those who are already concerned that 'proper' Apprenticeships should really be at least at level 3.

These aspects are worthy of further debate, but what should be possible is to position an introductory Apprenticeship level which is entirely or substantially 'employer located' be that for adult employees or young people being prepared to fully enter employment.

The four stage Apprenticeship family would therefore look something like this:

- Pre-Apprenticeship or Foundation Apprenticeship – basic skills, pre-level 2 development in an employer located environment.
- Apprenticeship or Standard Apprenticeship – full NVQ level 2.
- Advanced Apprenticeship – full NVQ level 3.
- Graduate Apprenticeship – level 4 NVQ, Foundation Degree or higher.

Such an approach would incorporate in a simple progressive structure many current Government funded programmes. These would include the Government funded aspects of Train to Gain, Apprenticeships, the majority of programme-led apprenticeships, Young Apprenticeships and much of the current E2E and proposed Foundation Learning Tier (FLT) offerings. It would not encompass off the job, full time vocational courses, which should nevertheless be increasingly geared to Apprenticeship frameworks – but not branded Apprenticeship in any way unless they were substantially employer located. The other casualty of such a change would be the conceptual non-Government funded aspects of Train to Gain, the employer demanded offerings that continue to be entirely employer funded. The marriage between this investment and the Government funded elements has in reality not yet happened, and therefore would need to be revisited in any event.

This paper has been produced by the Association of Learning Providers as a discussion document to inform the future development of Government funded offerings in response to the continuing skill development needs universally accepted, especially following the recent Leitch review.

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