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Policy report

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Where next for *apprenticeships?*



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Where next for apprenticeships?

Policy report

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About the authors

Sir Keith Burnett FRS has been Vice-Chancellor of the University of Sheffield since 2007. Before that he was Head of the Division of Mathematical, Physical and Life Sciences at the University of Oxford, where he enjoyed a successful career of almost 20 years. He is co-author with Professor Sir Nigel Thrift, Vice-Chancellor of Warwick University, of *The Future of Advanced Vocational Education* – a report examining how universities and industry can partner to build more advanced apprenticeships in manufacturing.

Linda Clarke is Professor of European Industrial Relations in the Westminster Business School (WBS) and responsible for a distinct programme of research in the Centre for the Study of the Production of the Built Environment (ProBE). She has extensive comparative research experience on vocational education and training, labour, labour history, industrial relations and equality and diversity across Europe, with particular expertise in construction.

Alison Fuller is Professor of Vocational Education and Work and Pro-Director (Research and Development) at UCL Institute of Education. Her research interests focus on education – work transitions, vocational education, apprenticeship policy and as a model of learning, workplace learning and workforce development. She has recently completed a study on adult apprentices for the Nuffield Foundation, with Lorna Unwin, Pauline Leonard and Gayna Davey,

and is currently researching the relationship between work, learning and innovation in the healthcare sector in an ESRC LLAKES funded project. Alison is a member of the All Party Skills Commission and a non-executive trustee of Semta (the employer-led body for skill formation in engineering and advanced manufacturing).

Ewart Keep is director of the Centre on Skills, Knowledge and Organisational Performance (SKOPE) and Chair in Education, Training and Skills at the University of Oxford. Professor Ewart Keep has written extensively on lifelong learning, apprenticeships, the incentives to learn, employers' attitudes towards skills and training, higher education policy, and the formulation and implementation of UK skills policy. He has advised parliamentary committees at Westminster and Holyrood and numerous government bodies. He is a member of the Scottish Funding Council, Skills Development Scotland's joint Skills Committee, and HEFCW's Student Opportunity and Achievement Committee.

Tess Lanning is a freelance consultant and an Associate Fellow at the Institute for Public Policy Research (IPPR), specialising in skills and labour market policy. She is also Head of Business Development at the Living Wage Foundation, where she supports and advises businesses in low-wage industries on how to raise pay, job security and performance. Previously she worked as policy adviser to

the Leader of the Opposition on all matters relating to the Department for Business, Innovation and Skills, and before that as a senior researcher at IPPR, where she published reports on apprenticeship, adult skills, workplace and labour market policy.

Douglas McCormick is Chief Executive Officer at Sweett Group, an independent business provider of professional services for the construction and management of building and infrastructure projects. He is responsible for overseeing the group's entire operations, and for the successful implementation of the group's long- and short-term strategic plans. He is also a commissioner at the UK Commission for Employment and Skills and a non-executive director of the Institute for Collaborative Working. Beginning his career as an apprentice himself, Douglas has achieved success in a wide variety of construction industry sectors, notably rail, having previously been responsible for managing more than £200 million of revenue at Atkins. Douglas is a Fellow of the Royal Institution of Chartered Surveyors. He holds an MSc in Construction Management and a BSc in Quantity Surveying.

Susan James Relly is Deputy Director of the Centre on Skills, Knowledge and Organisational Performance (SKOPE) and Director of Doctoral Research in the Education Department at the University of Oxford. Her research interests are varied, including vocational education and training systems and policy; vocational

excellence; apprenticeship; work-based learning; on-the-job and off-the-job training; social mobility; and low-skill and low-wage occupations. She is a Governing Body Fellow at Green Templeton College and a Visiting Senior Research Fellow at the University of the Witwatersrand, Johannesburg, South Africa. Susan taught in secondary schools in Australia and England before starting her academic career.

Alan Smithers is Director of the Centre for Education and Employment Research (CEER) at the University of Buckingham. His research interests include, among other things, further, technical and vocational education; pupil and student exam performance; teacher training, recruitment and retention; gender differences in education; different types of school, including independent schools; and international comparisons. Professor Alan Smithers has served on the National Curriculum Council, the Beaumont Review of National Vocational Qualifications and the Royal Society Committee on Teacher Supply. From 1997 to 2015 he was standing adviser to the House of Commons Education Committee.

Lorna Unwin is Professor Emerita (Vocational Education) and Honorary Professor in the LLAKES Research Centre at the UCL Institute of Education, London. She is also Honorary Professorial Research Fellow, School of Environment, Education and Development, University of Manchester. Her research interests focus on organising workplaces

as sites for learning, the role of education and training in urban (re)development, and the history of technical education, including apprenticeship, in the UK. Previously she was Deputy Director of the Centre for Learning and Life Chances in Knowledge Economies and Societies (LLAKES). She was Chair of the Inquiry into Group Training Associations from 2011 to 2012 and academic adviser to the Commission on Adult Vocational Teaching and Learning (CAVTL) from 2012 to 2013.

Andy Westwood is Professor of Politics and Policy at the University of Winchester and Co-Director of Policy@Manchester at the University of Manchester. Andy is the President of the OECD Forum on Social Innovation and an OECD expert author in the Local Employment and Economic Development (LEED) Programme. Previously he was special adviser to the Secretary of State at the Department for Innovation, Universities and Skills, a policy adviser at the Treasury and the Department for Communities and Local Government and a specialist adviser to the House of Lords Committee on Digital Skills.

Tom Wilson was Director of Unionlearn, the learning and skills arm of the Trades Union Congress, from 2009 to 2015. He now chairs GTA England and the charity Believe in Young People, which prepares and places young people into work. Tom works with the ILO, the EU, the Ethical Trading Initiative, the OECD, and further and higher education institutions.

Christopher Winch is Professor of Educational Philosophy and Policy at Kings College London. He was Head of Department for the Department of Education and Professional Studies from 2008 to 2012 and Chair of the Philosophy of Education Society of Great Britain from 2008 to 2011. His research interests include the philosophy of education, the nature of professional and vocational know-how, teachers' know-how and teacher education, British and European vocational education, and low-fee private education in India.

Introduction

Tess Lanning

The number of apprenticeships started in England each year has almost tripled over the past decade.¹ The Conservative Government sees apprenticeships as a tool to increase national productivity and improve the wage and employment prospects of individuals. It has launched an ambitious reform agenda to deliver 3 million apprenticeships by 2020 – up from 2.4 million in the last parliament – and at the same time raise the standards of training and assessment.

Apprenticeships traditionally provide structured routes into skilled work for young people entering the labour market for the first time. The time it takes young people to find stable employment after leaving education has got longer over the last three decades, as employers have become increasingly reluctant to hire and train young people. The problem is most pronounced for young people that do not go to university, and is exacerbated by the large number of low-level vocational courses that do not provide a platform for decent employment or further study (Wolf 2011, Independent Panel on Technical Education 2016). Apprenticeships have generally offered better employment prospects than other vocational qualifications (see BIS 2011), and have therefore become the preferred tool for improving the school-to-work transition.

More high-quality alternatives to the orthodox academic route through A-levels to university

could also help to address the apparently diminishing returns from the expansion of higher education. Successive governments have focused on widening access to university as the primary tool for delivering the skills that businesses and young people need. University participation has grown from less than 10% in the early 1970s to almost 50% today. This increase in skilled workers has outpaced the growth in high-skilled jobs, and CIPD research has shown significant increases in the levels of over-qualification and under-utilisation of skills among graduates over the past two decades (Holmes and Mayhew 2015). The employment benefits of a degree vary significantly across different disciplines (see Edge Foundation 2015).

The Government's stated aim is for all young people to have the chance to either go to university or start an apprenticeship. However, the impressive increase in apprenticeships in recent years masks an acute lack of high-quality apprenticeships for young people. This collection of essays brings together academics, experts and key stakeholders to explore the policies and practices needed to improve the quantity and quality of apprenticeships for young people. This introduction provides an overview of recent trends in apprenticeships and the current policy context.

What is an apprenticeship?

An apprenticeship in the UK is defined as a paid job with training

that leads to a qualification. While many policy-makers emphasise their traditional role as a tool to train young people starting out in their careers, over the last decade the official statistics in England² have come to incorporate a broad range of different types of training for people of all ages. A decade ago, 99.8% of apprenticeship starts were taken up by 16–24-year-olds. Today, just 57% of apprenticeships are reserved for under-25-year-olds.

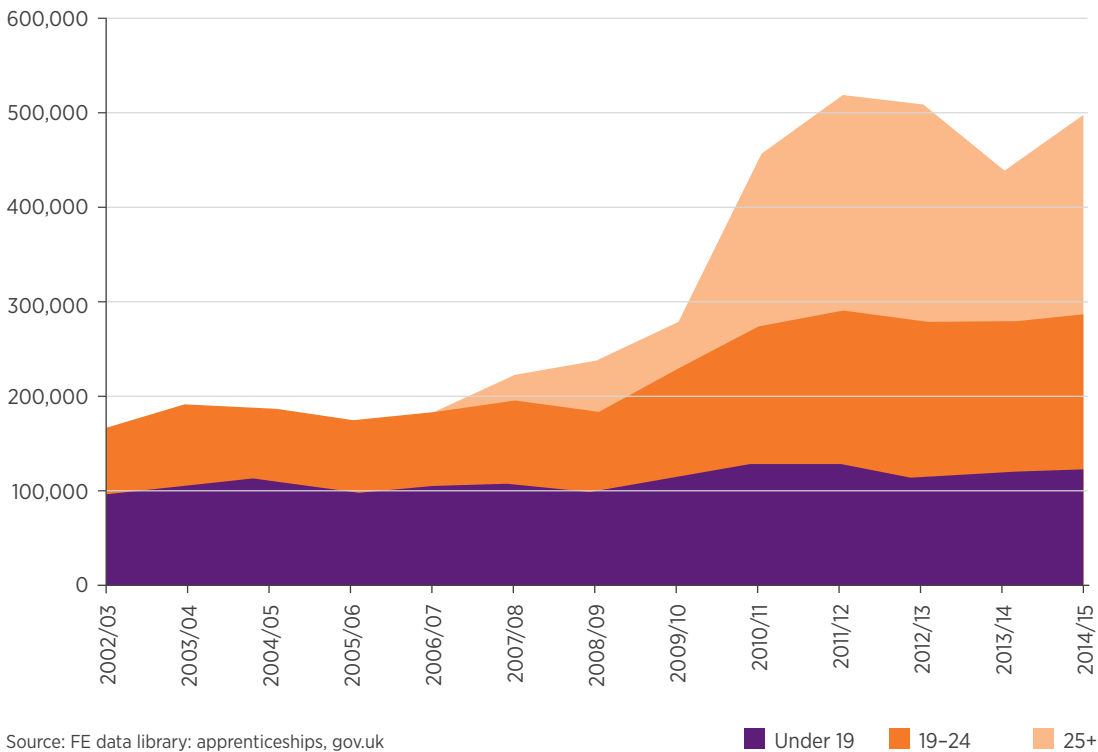
The last Labour Government made funding available for adult apprenticeships in 2004, arguing that adults entering work for the first time or returning to work after a career break should also benefit. The number of older apprentices remained relatively small until the first year of the Coalition Government, when cuts to the adult skills budget led providers to re-label publicly funded workplace training schemes as apprenticeships in order to retain funding (Keep and James 2011). Most (75%) of the growth in apprenticeship starts under the Coalition Government was driven by older workers – some of them approaching retirement. While the number of under-25-year-olds starting an apprenticeship increased by 24% under the Coalition, the number of over-25s increased by 336%. The number of over-60s grew by 753%, from just 400 in 2009–10 to 3,410 in 2014–15 (Delebarre 2015).

As well as being older, today the majority of apprentices across all age categories are

¹ Apprenticeship starts rose from 189,000 in 2004–05 to 499,900 in 2014–15.

² Skills policy is a devolved matter. Some of the issues discussed in this edited collection are common across the UK. However, the data presented here, and in the majority of the essays, focus on England, which is where changes to the nature of apprenticeship provision have been most pronounced.

Figure 1: Apprenticeship starts in England, 2002/03 to 2014/15



Source: FE data library: apprenticeships, gov.uk

existing employees rather than new entrants (Fuller et al 2015). Internal recruitment is particularly pronounced among over-25s, 91% of whom already worked for their employer before starting their apprenticeship, and in the newer, non-traditional apprenticeship sectors (BIS 2014). Asked about the shift away from young people, the Department for Business, Innovation and Skills has said that *'apprenticeships are jobs which involve high quality training to employees of all ages'* and that *'research shows that apprentices and employers are highly satisfied with the training they receive'* (quoted in Evans 2015). The risk, however, is that the use of apprenticeships to address a wide range of training needs limits their use as an effective tool to address problems with the school-to-work transition, or provide a viable alternative to the dominant academic educational route. Only about 6% of young people go into

an apprenticeship when they leave school, and competition is intense among this cohort, with seven applicants for every place (Ofsted 2015a).

The focus on older and existing employees may also undermine the case for the strong educational content and structured work experience that are important for young people entering the labour market for the first time, but less so for adults who are already in work and have (in theory) been through the education system. In other northern European countries, apprenticeships provide young people with a broad academic and vocational curriculum that underpins long-term mobility and progression within a particular occupational pathway. They are level 3 qualifications (equivalent to two A-levels) that typically last between two and four years and involve significant on- and off-

the-job training. The combination of work- and classroom-based teaching aims to encourage reflective learning and prepare young people for work and responsible adulthood (Bynner 2011).

The UK has some world-class apprenticeships, comparable with those in the German-speaking countries renowned for their vocational training systems, and there has been a welcome increase in the number of higher-level courses over the last five years. However, nearly two-thirds of apprenticeships in England are level 2 'intermediate' qualifications - a reflection of the policy focus on disadvantaged adults and young people. Last year only a fifth of starts, or just over 100,000, were reserved for 16-24-year-olds at the more advanced level that would be recognised as an apprenticeship in other countries.

What has driven the growth in apprenticeships?

The growth in apprenticeships has been driven by a series of ambitious government targets. Grants and wage subsidies have been provided, with money channelled through training providers tasked with recruiting employers. However, the drive for more apprenticeships has taken place in the context of a sharp fall in employers' investment in training. The average volume of training delivered by employers fell by up to 50% between 1997 and 2012 – with the fall most pronounced for young people (Green et al 2013). Pressure to deliver, combined with the increasingly loose definition of what counts as an apprenticeship,

appears to have led to a focus on learners that are easier and cheaper to qualify.

Traditionally associated with the male-dominated skilled industries such as construction and engineering, apprenticeships today are much more likely to be found in the female-dominated, generally lower-skilled, service sectors. Almost three-quarters of apprenticeships are in three sectors: business, administration and law; health, public services and care; and retail and commercial enterprise. These sectors are characterised by relatively high proportions of lower-level courses and adult learners, and low levels of formal training. They recruit the highest

proportion of existing employees onto their apprenticeships when compared with other sectors. In the retail and commercial enterprise sector, for example, three-quarters of apprenticeships are delivered at level 2, 79% of apprentices are internally recruited and more than a third receive no formal training at all. A recent study found that the wage returns to level 2 apprenticeships in retail, and to level 2 and 3 apprenticeships in health and social care, are non-existent³ (Broughton 2015).

Table 1: Apprenticeship starts, 2014/15

Sector subject area	All ages	% 25+	% Level 2	% internal recruits (2014)	% receiving formal training (2014)
Business, administration and law	142,980	46	60	73	73
Health, public services and care	129,890	59	52	73	78
Retail and commercial enterprise	89,570	40	76	79	65
Engineering and manufacturing technologies	74,060	29	60	43	87
Construction, planning and the built environment	18,290	10	79	45	96
Information and communication technology	15,660	23	29	36	84
Leisure, travel and tourism	13,070	23	49	45	86
Education and training	7,450	58	33	-	-
Agriculture, horticulture and animal care	7,010	15	69	63	87
Arts, media and publishing	1,460	3	21	-	-
Science and mathematics	380	11	18	-	-
Unknown	80	88	-	-	-
Total	499,900	43	60	64	79

Sources: Apprenticeship Programme Starts by Sector Subject Area, Level and Age (2002/03 to 2014/15), gov.uk. Data on internal and external recruits and formal training from BIS (2014).

³ The study compared the hourly wage premium for apprenticeship holders with employees in the same sector with lower qualifications or other types of qualifications at the same level.

These trends have raised concerns that the recent growth in apprenticeships largely reflects the rebranding of existing, low-level job-related training as apprenticeships, rather than genuine attempts to build new high-quality routes into work for young people. In October 2015, an unusually acerbic Ofsted report highlighted the ‘excessive’ growth of apprenticeships in the service sector that do not reflect the needs of the local economy and in some cases add very little value to either the apprentice or the employer. The report argued that it has become accepted practice for training providers to accredit the existing skills of people who have already been doing their job for a long time. It highlighted apprentices in the food production, retail and care sector *‘who were simply completing their apprenticeship by having low level skills, such as making coffee, serving sandwiches or cleaning floors, accredited’* and cases where workers were completely unaware that they were on an apprenticeship (Ofsted 2015a).

There is also evidence that apprentices are being used as cheap labour by some employers. In December 2015 a Channel 4 *Dispatches* investigation highlighted how a simple search of apprenticeship adverts on the gov.uk website can uncover low-level jobs barely masquerading as serious apprenticeships, including a ‘fish frying apprentice’ and a ‘bar assistant apprentice’.⁴ The television programme claimed that Next had saved £2.5 million off its wage bill by employing 800 people on a lower apprentice wage. The clothes retailer also claimed nearly

£1.8 million in public funds for training in 2014, while allegedly deploying apprentices as they would normal staff. Ofsted rated Next’s apprenticeship training ‘inadequate’ in August 2015, leading the Skills Funding Agency to temporarily suspend them from taking on new apprentices (Ofsted 2015b).

The current policy context

The Government’s flagship target to deliver 3 million apprenticeships by 2020 will require a significant step-change in the number of employers offering apprenticeships. Frustrated with previous attempts to cajole and incentivise employers to train, the Conservatives have adopted a more interventionist approach than previous administrations. This includes new duties on public sector bodies and large government contracts to support the growth of apprenticeships, and a levy on all large employers, expected to bring in almost £3 billion a year by 2019–20.⁵ The levy will be used to pay for a voucher system, delivered via new digital accounts, for employers to claim against the cost of apprenticeship training carried out by approved providers. Non-levy-payers will continue to be eligible for government subsidies to cover some of the costs of training, at a rate set each year. It is hoped that this will incentivise smaller employers to offer more apprenticeships as well as the larger levy-payers seeking to recoup the costs of their investment.

The voucher system also seeks to raise the quality of training offered by colleges and private providers by making the system

more demand-led, and is part of a wider package of reforms designed to strengthen the quality of apprenticeships. This includes a minimum duration of 12 months, a focus on new entrants to the job role, stronger maths and English requirements, more on- and off-the-job training, and a new graded assessment system with an independent end-of-training test. A key objective is to better involve employers in the design and delivery of apprenticeships, ensuring that the new standards better meet organisational needs and in doing so improve their currency in the labour market. A set of ‘Trailblazer’ pilots led by collaborations of employers in different sectors are developing new standards and testing the changes to the funding and assessment procedures. These are due to replace all current apprenticeship frameworks by 2017–18.

Recent events – including Britain’s vote to leave the European Union, the Prime Minister’s resignation, a ministerial reshuffle and the moving of post-16 skills policy from the Department for Business, Innovation and Skills to the Department for Education – could lead to a shift in the direction of apprenticeship policy. However, the ‘post-16 skills plan’ published in July 2016 reaffirmed the commitment to these reforms and pledged further changes to raise college-based vocational education and better integrate the system as a whole (BIS and DfE 2016). The collection provides timely analysis to inform the direction of the Conservative Party’s manifesto commitments on apprenticeships under Theresa May’s leadership.

⁴ As of May 2016, similar adverts were still available at findapprenticeship.service.gov.uk

⁵ The levy will be set at 0.5% of the company pay bill, but will only affect employers with a gross pay bill of more than £3 million.

‘The Government’s reforms rely heavily on the willingness and capacity of training providers to provide more and better apprenticeships than they do now.’

An overview of the contributions to this volume

It is too early to judge whether the Government’s reforms can reverse the long-term decline in workplace training and tackle the quality problems associated with the recent growth in apprenticeships. The contributors to this volume were asked to explore these questions, and to set out examples of best practice to inform policy.⁶

The first two essays examine the aims and objectives of apprenticeships, and what these mean for their content and structure. Alison Fuller and Lorna Unwin are not opposed to apprenticeships for adults, but argue that the focus on existing employees already competent in their roles has undermined their core purpose by failing to distinguish between apprenticeship training and basic job-related training that would have taken place anyway. They raise concerns that the current Trailblazer pilots may exacerbate rather than address this issue because they rely too heavily on the narrow skills needs of a few individual employers, and explore how a ‘relational’ approach could encourage a more ambitious long-term view of the needs of a sector, as well as building employers’ capacity to organise better workforce development.

Alan Smithers argues that the focus on competence-based qualifications that test the ability of young people to do what is expected at a given point in time but do not specify training or course content is the cause of repeated failures to establish a functioning vocational pathway to support the school-to-work transition. Smithers suggests that the current umbrella approach, where a patchwork of different awards makes up

an apprenticeship, has further undermined the development of a coherent training route that provides a platform into skilled employment. He argues that introducing distinctive national apprenticeship qualifications, with clear criteria for training, educational content and assessment that is tailored to the needs of different industries, would better meet the needs of young people and the economy.

We then turn to the Government’s institutional reforms, and whether they can tackle relatively weak investment in skills among employers in the UK. The contributors disagree on this question. Ewart Keep and Susan James Relly argue that the levy is a blunt instrument unlikely to reverse employers’ long-term ‘retreat’ from workforce training. The voucher system is not significantly different from the various incentives offered in the past. Whereas previously the money went to training providers, who then ‘sold’ the subsidy to employers, under the new system employers will be able to draw down money in order to contract training providers. Keep and James Relly note that it is possible some employers will simply write off the cost or, worse, take it out of their existing training budgets, leading to a reduction rather than an increase in workplace training overall. They argue that more focus is required on increasing demand for skills among employers and building their internal capacity to train.

In contrast, Douglas McCormick, chief executive of global construction firm Sweett Group, and Tom Wilson, former director of Unionlearn, the skills arm of the Trades Union Congress, are both optimistic about the new levy and argue that the reforms to better

involve employers in the skills system could drive the desired culture change. While McCormick argues that the levy should subsidise small businesses, Wilson argues that employers of all sizes must pay the levy if it is to be effective and perceived as fair by employers. Both argue that quality assurance measures and greater co-ordination across sectors and regions will be necessary to ensure that the apprenticeships created are high quality and meet the needs of industry and young people.

The Government's reforms rely heavily on the willingness and capacity of training providers to provide more and better apprenticeships than they do now, and many of the contributors stress the positive role that committed, specialist providers can play in supporting employers to develop effective vocational training. Andy Westwood argues that colleges and universities should seek to fill this gap. He suggests that the new devolved landscape could achieve what many previous reform attempts have failed to do, encouraging a focus on more high-quality vocational provision within further and higher education. Key to this, Westwood argues, are approaches that support collaboration between education providers and employers on applied research and training pathways.

Sir Keith Burnett sets out how this collaborative approach works at the University of Sheffield's Advanced Manufacturing Research Centre, which currently delivers a rich engineering curricula to 600 apprentices. The essays by Burnett and Westwood both question the either/or narrative around apprenticeships and university, suggesting that the challenge is to create more diverse and dual-

track courses across the education system. Burnett challenges more research-intensive universities to develop industrial partnerships that support high-quality vocational pathways within the university system, and explores the barriers that may discourage them from doing so.

In the final essay, Linda Clarke and Christopher Winch set out the institutional and pedagogical settings that have helped to better sustain an effective training infrastructure in other northern European countries. Using the construction sector as a case study, they explore the impact of the fragmentation of the labour market on training and apprenticeships across Europe, with the trend most pronounced in the UK. Clarke and Winch argue that this makes the need to understand how to build and maintain more high-quality college-based vocational education, alongside good apprenticeships, ever more critical.

A key theme throughout the essays in this collection is the need for a system that better reflects the needs of different stakeholders. The main focus of recent reforms has been on increasing employer 'ownership' of skills. But improving the diversity of transition routes available to young people depends on ensuring that apprenticeships meet their needs for a qualification that offers broad educational content, structured training and work experience and has currency in the labour market. The concluding essay offers some recommendations on how this could be achieved, drawing on the insights from the contributors.

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1 The aims and objectives of apprenticeship

Alison Fuller and Lorna Unwin

Apprenticeship in the UK resembles a palimpsest, described in dictionaries as a manuscript or writing material on which earlier writing has been erased or etched out to make room for new text. Palimpsests bear the traces of the earlier writing, giving them a ghostly quality as the reader's eye glimpses fragments of past ideas. Often used simply as a form of recycling, palimpsests might also be used by writers wanting to improve or develop earlier work of their own or other authors. In this essay, we argue that, as successive governments since the mid-1990s have sought to impose their interpretation of apprenticeship, each layer of new policy has only served to obscure and weaken this robust model of skill formation. While some notable exceptions (apprenticeships in engineering, accountancy, dental technology, and stone masonry, for example) have withstood this process, in the majority of cases the fundamental aims and objectives of apprenticeship have been erased. These exceptions demonstrate that the UK can design and support high-quality apprenticeships. Yet, government continues to misuse and debase the concept.

In their foreword to a consultation document published in January 2016 in the light of the impending apprenticeship levy on large employers, the Secretaries of State for Business, Innovation and Skills (BIS) and for Education

stated: *'Apprenticeships are real jobs that give people the opportunity to train and become fully competent whilst employed in a role'* (BIS 2016, p4). Here we see apprenticeship reduced to training as part of doing a job for which it is possible to become 'fully competent', in contrast to the much richer and progressive concept of apprenticeship as the vehicle for the initial development of occupational expertise.

Apprenticeships have adapted over time to reflect developments in work technologies, work organisation and teaching and learning. Adaptations have also occurred to protect apprentices' safety, to control numbers to certain occupations, and strengthen certification. The scale and type of change has differed across occupational sectors. In cases where the core meaning (the text) of apprenticeship, which is still shared across many countries, has been protected, adaptations can further enrich the model. When the core meaning is itself erased, however, we have to question the purpose and effectiveness of the UK Government's version of apprenticeship. In this essay, our intention is to promote the importance of apprenticeship as a distinctive model of skill formation for the benefit of individuals, employers and society more generally.

Apprenticeship and occupational expertise

Apprenticeship is a complex phenomenon. It can take the form of an arrangement between an employer and an individual (sometimes with the involvement of trades unions) to train young people,⁶ and may involve the state. It is also a universally understood term for a substantial part of the journey an individual (such as musician, chef, carpenter, doctor) takes from being a novice to becoming an expert in an occupational field. Historically, an individual who had completed an apprenticeship was recognised as a 'journeyman' who had the skills to operate and practise their occupation autonomously and could, therefore, eventually progress to becoming a 'master', thereby acquiring the authority to employ and train their own apprentices. Its longevity means apprenticeship carries both echoes of a medieval world of craft skills and a supposed golden age of mass manufacturing. It is also associated with having a dark side, as seen during the Industrial Revolution, when child apprentices were sent miles from home to work in the expanding textile mills or, in more recent times, through stories of bullying and unsafe work practices.

Yet, for most people, apprenticeship is still regarded as the optimal means of developing expertise through a combination

⁶ The age of entry to apprenticeship has been rising throughout the world as more young people remain longer in full-time school. In Europe, apprentices range from age 15 through to their late 20s, while in Canada and the US, apprentices are typically in their late 20s when they start.

‘Creating and maintaining “expansive” conditions is not easy and requires support at all levels of the organisation.’

of work-based practice, training, and off-the-job further (or in some cases, higher) education. Practice, over time and under supervision to enable an individual to mature and reach the point where they can work without supervision and be accepted as a full member of an occupational community, is central to the concept. As such, apprentices develop new identities as they encounter and participate in the opportunities for learning afforded by their occupational community (Lave and Wenger 1991). In the dynamic context of contemporary workplaces, the ‘community’ has been extended to include customers and clients who play an increasing role in shaping the design of goods and services. Likewise, the concept of occupation should not be seen as static or limiting given emergent new work practices, changing conceptions of ‘skill’ and emergent occupational fields (Guile and Lahiff 2012; Payne 2000). Rather, its role is in providing an apprentice with a supportive, social, educative and cultural framework within which they can work with and learn from experts (Fuller and Unwin 2013a). As the apprentice gains confidence and develops expertise, they too can contribute to and influence the way work is carried out and problems are solved.

From our own research, we have developed an analytical framework (the ‘expansive–restrictive continuum’) to help organisations evaluate the extent to which they are able to create the conditions for supporting the aims and objectives of apprenticeship. Expansive characteristics can be summarised as follows:

- Apprenticeships are embedded within the broader business plan of the organisation and regarded as a key means to

refresh as well as sustain core skills and knowledge.

- The dual identity of an apprentice as both a learner and worker is supported during the apprenticeship to enable maturation through practice both on and off the job, stretching apprentices to reach their full potential.
- Planned periods of further education away from the workplace provide apprentices with the theoretical and conceptual expertise they need for further progression.
- An apprentice’s progress is closely monitored and involves regular constructive feedback from employer and training provider personnel, who take a holistic approach.
- Apprenticeships have a clear end point marked by certification that has wider labour market currency, but which also indicates that apprentices have the potential to continue building their expertise.

All private and public sector organisations (and workplaces within them) shift across the continuum because of pressures generated by their business environments (Felstead et al 2009). Creating and maintaining ‘expansive’ conditions is not easy and requires support at all levels of the organisation. Employers with little or no history of providing apprenticeships or where the workplace cannot offer a wide enough range of tasks and processes require practical support. A proven model of how employers can benefit from working in partnership with expert training specialists is that of the Group Training Associations (GTAs), which were originally established following the 1964 Industrial Training Act. As a recent Ofsted report noted, the GTA model of

industry-provider partnership has been *'resilient to policy changes and has responded very effectively to the training demands of industry'* (Ofsted 2015, p26). This is a much more sophisticated approach to developing employer and training provider capacity than the policy mantra of recent years that the system should be 'employer-led'.

So far, this essay has considered apprenticeship from the perspective of a model of skill formation with the aim of developing occupational expertise. In the next section, we discuss whether this definition still holds in the UK.

From demand-led to supply-led apprenticeship

Although the UK has had formally organised apprenticeship since medieval times, it came very late to the concept of apprenticeship as an institution within its government-funded education and training system compared with some other European countries (Clarke and Winch 2007). Nevertheless, since the initial flirtation with the concept through the introduction of the Modern Apprenticeship in 1994, governments have vigorously sought to mould apprenticeship to suit both their social and economic goals (Fuller et al 2013; Unwin 2010; Keep 2006). As such, apprenticeship has shifted from being a demand-led institutional arrangement between employers and individuals to a supply-led instrument of government policy. This change undermines the relationship that sits at the heart of apprenticeship and destabilises the expansive characteristics we listed in the previous section. It also helps to explain the pattern of apprenticeship registrations,⁷

where adults aged 25 and over account for 43% of the total, 60% of apprenticeships are at level 2, and the vast majority of apprentices work in health and social care, business administration, and 'management' (Delebarre 2015).

Today's apprenticeship bears the hallmarks of the youth and adult training programmes introduced from the early 1980s onwards in response to a rapid rise in unemployment (Unwin 2010). The emphasis remains focused on getting people into jobs and on accrediting existing skills to increase the volume of qualifications in the adult population. Training is largely on the job and designed to meet the requirements of a competence-based accreditation system. The structure, content, process and amount of training is under-specified and secondary in this outcomes-oriented model. Under the current apprenticeship programme, the centrality of the 'jobs first' approach is manifested: (a) in the requirement for apprentices to have 'employed status' (for the duration of their registration) either with the host employer, or with an apprenticeship training agency; and (b) in the lack of specification about training inputs and processes.

The introduction of competence-based vocational qualifications in the late 1980s placed the emphasis on the accreditation of skills in the workplace (including those which trainees and experienced employees may already have acquired) rather than training. The approach separated assessment from learning and curriculum and broke down job roles into tasks (statements of competence).

It underpinned the aim of the Labour Government's Train to Gain initiative, launched in 2006 to increase the numbers of adults with level 2 and level 3 qualifications. Despite highly critical evaluations pointing to considerable deadweight and questions about whether adult employees actually received training to acquire new skills (NAO 2009), there was no official recognition that the underlying cause of the problems lay in the scheme's use of competence-based qualifications to accredit existing skills, rather than a model based on clear requirements for training and development, prior to certification.

Today, the majority of apprentices (in all age bands) are 'conversions', which means they are existing employees when they begin their apprenticeship (Fuller et al 2015a). Their apprenticeships clearly fulfil the criterion of being a 'real job' in the sense of the BIS statement quoted earlier. However, where converted apprentices are employees who are already 'fully competent', or where the nature and level of the job means the skills are easily and quickly learned, the link to the training element of the definition is compromised. The continuation of the competence-based approach to the accreditation of skills within an apprenticeship framework perpetuates an assessment-led rather than training-led model.

The practice of 'conversion' coupled with the assessment-led approach has fuelled the rapid increase in the number of apprentices in recent years. We are not arguing against 'adult apprenticeships' (classed as registrations of people aged 25

⁷ Registrations are termed 'starts' in government statistics. This refers to the number of registrations in one year on apprenticeship frameworks. The official statistics note that *'learners starting more than one apprenticeship will appear more than once'* (see www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships). As it is unlikely that very many individuals will start more than one apprenticeship in a year, the 'start' statistics are taken as a proxy for actual numbers of apprentices. There are no publicly available statistics differentiating between 'starts' and actual individuals and, hence, there is a significant gap in the public record.

‘Those who advocate limiting the amount of general education within apprenticeships argue that many young people (and indeed adults) are attracted to work-based training because it is significantly different from school.’

and over) – there is a strong case for adults to have the opportunity to retrain in a new occupation – or against the importance of adults being accredited for their expertise. Rather, we are calling for recognition of the fundamental difference between apprenticeship and the type of training that anyone should expect to form part of a job, including an assessment of one’s existing skills at induction.

Given the absence of substantive training in many apprenticeships and concerns about the content of some vocational qualifications, there is an important question to be asked about whether it is acceptable to have no differentiation between apprenticeships for young people and adults. If you are training to be a plumber as a 16-year-old or a 50-year-old, you will be required to achieve the same qualifications over the same length of time. In some other European countries where apprenticeship is located within the national education and training system and is regarded as a pathway for young people, apprentices have to continue studying general education subjects including maths, sciences and languages at the same level as their peers in full-time school. In the UK, if apprentices have not already attained GCSEs in maths and English at grade C or above, they have to pass online tests in functional skills (at a level below the vocational qualifications in their apprenticeship), though it is recommended they be offered the opportunity to study for GCSEs. Although the current Conservative Government has been advocating the strengthening of maths and English, there is a fierce debate between the supporters of functional skills and those who argue for a more European approach (see Education and Training Foundation 2015 for a

review). In the latter camp, Andy Green (1997) has argued that the former can only ever be a ‘surrogate’ for general education and could never be more than a poor substitute. In advocating for the inclusion of broader academic content within vocational education, Green locates his argument in the historical and class-based development of English education, which has always separated vocational education from general education (Bailey and Unwin 2014).

Those who advocate limiting the amount of general education within apprenticeships argue that many young people (and indeed adults) are attracted to work-based training because it is significantly different from school. We would argue that there is a strong case for broadening the content of apprenticeships for young people to ensure they are stretched, build a platform for further progression, and provide qualifications that have currency in the labour market as well as the education sector. This does not mean creating artificial walls inside apprenticeships. Rather, the answer lies in providing a hybrid approach that combines technical content, disciplinary knowledge and practical training through pedagogical practices in which imaginative teachers and trainers identify and develop apprentices’ understanding and experience of the symbiotic relationship between, and necessity for, theory and practice.

There are four reasons why it is important to promote and practise apprenticeship as a distinctive model of skill formation. Firstly, the impoverished content of some vocational qualifications means that apprentices find it difficult to progress beyond level 2 or 3 (both within their sector, and also across

sectors). The variability within qualification 'levels' undermines both their labour market and educational currency (Fuller and Unwin 2012). Secondly, the categorisation of apprenticeships by level, differentiating between level 2, 3, higher, and now 'degree' apprenticeships, undermines the powerful concept of apprenticeship as an integrated approach to developing occupational expertise. In particular, counting programmes as apprenticeships that 'stop' at level 2 (with no automatic entitlement to move on to level 3) puts an artificial break or glass ceiling on progression. The hierarchy of programmes also allows the possibility that (where there is the opportunity for progression to the next level) individuals will complete two, three or four apprenticeships en route to completing the skill formation journey in their chosen occupation. This fragmented approach has implications for transaction costs, quality monitoring, and confusion in the statistics where a number of apprenticeship registrations may relate to only one individual. Thirdly and relatedly, therefore, apprenticeships do not provide any consistency in terms of the experience an individual can expect. Fourthly, the gendered nature of apprenticeships means that young women are more likely to get trapped in low-status, low-paid jobs in service sector occupations, which deliver mainly level 2 apprenticeships (see Fuller and Unwin 2013b).

Apprenticeships exist within the UK's highly flexible labour market and, hence, any employer can recruit apprentices regardless of whether they have trained trainers or any experience of managing the type of substantive workforce development programmes associated with apprenticeship. Employers involved

in apprenticeship are, of course, inspected to ensure they meet health and safety requirements, but beyond that, there is very little monitoring of their involvement, including in relation to the on-the-job training they may or may not provide. Training providers are inspected with regard to their compliance with apprenticeship requirements, funding, eligibility criteria, mandatory minimum standards, and the support they provide for apprentices. The nature of the inspection regime is, then, further indication of the separation in the Government's mind of training from employment. From the apprentice's point of view, they are required to trust the system and hope that they find a placement with an employer who is committed to the concept of an expansive apprenticeship.

The current government's target of securing 3 million apprenticeship registrations during the current parliament and the proposed apprenticeship levy are entirely focused on numbers. Moreover, its invitation to employers, through the Trailblazer initiative, to create new apprenticeship standards does not address the fundamental weakness that assessment of the standard is still open to the accreditation of existing skills, including those of experienced employees who have been 'converted' to apprentices. Hence, it is not the creation of a standard that poses an inherent problem for quality, but rather the continuing training, assessment and conversion issues we have highlighted. Without a fundamental rethink about the role, character and structure of training and development and the reliance on competence-based accreditation, the new standards, numerical targets and the levy will do nothing to create uniformly high-quality apprenticeships.

Conclusions and recommendations

Apprenticeship cannot be understood as a one-dimensional phenomenon. It is not a 'qualification' or a 'course' or a just a 'job'. Its aims and objectives are forged out of a combination of the need for workplaces to sustain and refresh expertise over time and for individuals to become recognised members of an occupational community with the human, social and cultural capital to change and adapt in the future. While apprenticeship is first and foremost a model of learning, it is more than a metaphor of learning: it takes on a tangible existence when it forms part of people's lives, of their work, and of their communities. Using apprenticeship as primarily an instrument of government policy risks erasing its core meaning. Paradoxically, although it is now promoted by government as the catch-all brand to cover all forms of work-based training, apprenticeship is allowing many companies and public sector organisations to continue underperforming in relation to both skill development and utilisation. This includes workplaces that demand little beyond basic skills because of the low-value products and services they produce as well as those that do want to upskill and transform their work processes, but lack the capacity and experience to develop a more expansive approach to workforce development.

As the best training providers and employers know, building this capacity takes time and concerted effort through what we have called a relational approach. This rejects the simplistic demand-supply model that assumes employers simply contact a training provider with a concise list of training needs in order to buy ready-made training products. A relational

approach starts with a conversation between a provider and an employer about the pressures and possibilities in the business environment, the way goods and services are produced, and the organisation's plans going forward. That the conversation involves vocational teachers and trainers from the outset is important for: (a) ensuring that conceptual and theoretical foundations underpinning the occupational field continue to form the backbone of any training programme, including apprenticeship; and (b) to enable the teachers and trainers to keep up to date with work processes so that they can design programmes that re-contextualise both theory and work practice in ways that help apprentices make connections between the two.

Through informed conversation and the use of analytical tools such as the Expansive–Restrictive Framework, providers and employers can evaluate the extent to which a workplace is ready to make the shift towards becoming more highly skilled across all levels of the operation. In the case of employers who are ready and eager to make the shift, they are able to co-produce training programmes, including apprenticeships, that stretch and build the capacity of everyone concerned. In the case of employers who are reluctant to shift away from their current mode of operation, an important part of the conversation will explore whether they are currently able to provide the right environment for apprentices and the steps they can take to enable apprenticeship to become part of their business strategy (for more details of how this approach is being used in practice, see Fuller et al 2015b). Replicating the relational approach on a much bigger scale will require a national programme of peer support led by providers

and employers who run quality apprenticeships.

The current apprenticeship reform process has not been framed as a relational approach. As the Government's guidelines for setting up Trailblazers stress, the process puts *'employers in the driving seat'*, so apprenticeships will be based on standards designed by *'employers working together'* (BIS 2015, p4). The guidelines address employers as the only readers of the document, as in this passage, for example: *'By getting involved in developing the standards for occupations in your sector, you will have the opportunity to define the KSBs (knowledge, skills and behaviours) you require in your future workforce'* (ibid, p5). One of the criteria that potential Trailblazers have to satisfy is that they can show that other stakeholders *'such as sector or trade bodies, professional bodies, training providers or industry training boards have been invited to support the process by the employer leads rather than leading the process themselves'* (ibid, p11). While the guidelines do state that employers are strongly encouraged to engage with training providers throughout the development process, this is seen as being more important as the standard gets closer to the point of delivery. The main role of providers and other bodies is to help promote the standards to employers in the sectors they cover. Oddly, the document then returns to the old demand–supply model with employers as 'customers' seeking the best price for their training needs from providers. Without a relational approach, the danger is that providers are more likely to adopt a default position of offering 'conversion' style apprenticeships and mainly assessment-led forms of delivery which bring in the numbers, but require little from

employers by way of training. This lack of ambition means that despite the aspiration of the Trailblazer initiative, quality will continue to play second fiddle to quantity. We have long argued that employers need to play a much more proactive role in the design, delivery and funding of apprenticeships. Moreover, the national standards for apprenticeships must reflect the skill requirements in contemporary workplaces. They should, however, also look to the future to ensure apprentices and their employers push their expertise beyond the here and now. To achieve this, we need a relational approach involving a range of experts whose goal is to keep the conversation alive and receptive to new ideas.

It follows from our critique that a process of reform that has quality at its heart is likely to lead, at least initially, to a smaller, more focused apprenticeship programme. However, if a commitment to quality were to be extended to the creation of all government-funded programmes, including separate provision for entry-level initiatives and adult skills, arguably this would generate a system tailored more closely to the requirements and needs of different individuals, employers and the UK workforce more generally. To achieve better quality, we need to build capacity within workplaces, vocational education and training organisations, and government itself so they can create and promote the expansive conditions in which apprenticeship thrives. As a result, apprenticeship would reclaim its role as a distinctive model of skill formation of benefit to employers, individuals, the economy and society. It is a model that sets a high standard and should not be reduced to a catch-all term for any form of training or certification of 'competence'.

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2 The philosopher's stone? The case for national apprenticeship qualifications

Alan Smithers

The current apprenticeship reforms are the most recent in a long line of attempts to put in place a national, respected and attractive route from school to employment. Apprenticeships are also the big hope for rescuing Britain's skills base. But will they be any more successful than the many previous attempts over the past 40 years, or are the same mistakes being made?

The Government confidently hopes apprenticeships will be popular with both trainees and employers: with trainees because they will become the passport to well-rewarded jobs, and with employers because they will attest to the quality of the performance that can be expected. There is also an underlying political purpose in that during the Coalition Government the proportion of young people who were neither employed nor in education or training rose to record and embarrassing levels (see Delebarre 2016a). This essay argues that an integrated training pathway, driven by the introduction of new national apprenticeship qualifications, could help to provide the content and structure required to support young people into skilled work.

The revival of apprenticeships in England

The search for a national framework for practical learning began in 1973 with the Technician Education Council (TEC), soon followed by the Business Education Council (BEC). They joined forces in 1983 to become BTEC, the

acronym first standing for the Business and Technician Education Council, then the Business and Technology Council. The name change is significant because, like so much in vocational education, the awards were pulled in the direction of academic prestige and they became more a university entrance qualification than a springboard for employment. In 1996, it merged with an academic partner, the University of London Examinations and Assessment Council.

Beginning also in 1983, the Technical and Vocational Initiative in schools attempted to apply in English education some of the German experience of vocational preparation (Technical Education Matters (TEM) 2011a). But it was diffuse, did not lead to distinctive qualifications, and canny schools were able to rebadge existing courses in, say, chemistry or theatre studies, to take the money and run.

A more substantial effort to establish a national system of work qualifications came with the National Vocational Qualifications Council (NCVQ). The main qualification it created, the National Vocational Qualification (NVQ), survives to this day, but it failed to achieve the revitalisation of occupational training that was intended. The NCVQ was set up in 1986 to bring order to the haphazard and vast assortment of vocational qualifications that existed at the time. These were often very good qualifications,

offered by, among others, City & Guilds (of London Institute), the RSA (Royal Society for the Encouragement of the Arts, Manufactures and Commerce), and various professional bodies and chartered occupations. But they were an untidy and overlapping mix and Dr George Tolley, the then Principal of Sheffield Polytechnic, conducted a successful campaign which led to the creation of the NCVQ.

It was charged with devising a comprehensive framework of content and levels which could accommodate the great variety of existing qualifications and encourage the development of new ones. In order to meet this ambitious remit, NCVQ had to find a common denominator across the many and various occupational fields, each with different levels of difficulty within them. It lighted on the idea of 'competences': *'the ability to perform activities in the jobs within an occupation to the standards expected in employment'* (Training Agency 1988). Jessup (1990), the chief architect of NVQs, wrote that they were *'unashamedly about assessing competence ... being able to perform in employment'*. They were about 'outputs', not *'inputs, such as syllabuses, courses or training programmes, i.e. the specification of the learning opportunities provided'*.

Thus to get an NVQ it only mattered that you could show that you could do what was expected, perhaps only on one occasion.

They were ideal for people already holding down a job. But without a defined training programme they were not much of a ladder from school to work. The Government of the day tried to rectify this by asking NCVQ to create General National Vocational Qualifications (GNVQs) suitable for teaching in schools and further education colleges. But they were similarly specified in terms of outcomes, deliberately shunning any reference to courses or training programmes. It was envisaged that GNVQs would soon replace BTECs, but that awarding body fought back and it was GNVQs that lost out, to be replaced by the more academic applied GCSEs and A-levels. The NVQ revolution qualified a lot more people, but left the country still without the motivating high-quality occupational training programmes for school-leavers.

This is where the modern apprenticeship system came in. Faced with the frequently voiced concerns about skill shortages, the Major Government, in 1994, sought to capitalise on the prestige attached to traditional apprenticeships⁸ by appropriating the name to a new scheme for getting young people into work. Initially, apprenticeships were for 16–24-year-olds. They were conceived of as frameworks for other qualifications, mainly at the level of either GCSEs or A-levels. Later, in order to correct the crucial omission in NVQs as far as school-leavers were concerned, the Blair Government introduced technical certificates in an attempt to ensure in-depth technical knowledge.

But modern apprenticeships were slow to take off and there were doubts about the attractiveness

and quality of the programmes. The first batches of trainees did not seem to think much of them. In 2001, only 24% of the total 385,000 starters in the previous four years completed the programme (TEM 2011b, Delebarre 2015). In response to a succession of reviews – the Cassels Report (2001), the Apprenticeships Task Force (2005) and the Leitch Review of Skills (2006) – the Blair and Brown Governments made a number of changes, including a national framework for defining basic standards, removing the upper age limit of 25, and creating a National Apprenticeship Service responsible for expanding and improving the apprenticeship programme. Another change was to merge the NCVQ into Ofqual, the qualifications watchdog, where it has disappeared. By 2009–10, the final year of the successive Labour Governments, apprenticeship starts had risen to 279,700, only about two-fifths of whom were 16–18-year-olds (House of Commons Education Committee 2015).

The Coalition Government which came to power in May 2010 felt that the modern apprenticeship was still not right. In 2011 it abandoned two of the fundamental tenets of the NCVQ – the ideological rejection of content and length – when it required that to be recognised as an apprenticeship, a programme of work-based learning should last at least 12 months. It also required all apprenticeships to involve an employer from the outset, thus putting a stop to further education colleges and other providers setting off trainees on apprenticeships in the hope they would find an employer later. These changes came into force

‘The NVQ revolution qualified a lot more people, but left the country still without the motivating high-quality occupational training programmes for school-leavers.’

⁸ An apprentice, dating back to the Middle Ages, was defined as: ‘one bound by legal agreement to work for another for a specific amount of time in return for instruction in a trade, art or business’ (TEM 2011b).

in August 2012 and resulted in a drop in starts in 2013–14 of 80,200 (15.4%) from the high point of 520,600 in 2011–12. There were other reforms too (see Department for Business, Innovation and Skills (BIS) 2013). Apprenticeships were still very much a work in progress, with starts by 16–18-year-olds flat-lining and take-up by people already in work burgeoning.

Apprenticeships today

Modern apprenticeships have been continually honed over a period of more than twenty years. Are they now that elusive prestigious pathway from school to work that has been long sought? David Cameron was sufficiently confident of the value of apprenticeships to make a major pledge in the run-up to the May 2015 election, committing a future Conservative Government to creating 3 million more apprenticeships by 2020.

There are undoubtedly some very successful higher and degree apprenticeships, particularly in fields such as accountancy, engineering, IT, banking and finance, and in the public sector. They offer to school-leavers sustained programmes, lasting at least two years, which lead to valued qualifications. They are a genuine alternative to going directly to university, on their merits as well as not having to pay tuition fees. There is healthy competition for places so employers are able to select who to take on. As the benefits to both the apprentices and employers become more widely known, there is every likelihood they will expand rapidly.

The Times (2016) has ranked employers on the number of higher-level apprenticeships⁹ they offered to sixth-formers in 2015.

In front was the Civil Service, which recruited 564, followed by the accountancy firms PwC and KPMG, which recruited 319 and 227, respectively. They were joined in the top five by Jaguar Land Rover, with 154 degree apprentices, and another accountancy firm, Deloitte, with 123 higher apprenticeships. It looks as though accountancy, having flirted with using university degrees as the basis of recruitment, is swinging back to training people on the job. Retail squeezed into the top 30, in 29th spot by virtue of Tesco, which offers 23 higher apprenticeships.

As impressive as these opportunities are, the picture the general public may have of apprenticeships as pathways for school-leavers to high-level qualifications is far from the case. Apprenticeships, at present, mainly provide for those who have not done very well at school. Higher apprenticeships are but a tiny fraction of apprenticeship starts, at 4%, or 19,800 starts of a total 499,900 in 2014–15. The majority are delivered at GCSE level and only a quarter are reserved for 16–18-year-olds. Also, they are taken more often by people already in work than new recruits (see Fuller and Unwin's essay for a discussion of the implications of this development). In spite of some successes and the Government's optimism, apprenticeships *en masse* have come in for severe criticisms from a number of directions for poor pay and progression prospects and high dropout rates (see Ofsted 2015, the Social Mobility and Child Poverty Commission 2016, and Kirby 2015).

A perceptive article by *The Times* education editor Greg Hurst (2016) provocatively suggested that the

Prime Minister should use National Apprenticeship Week 2016 'to admit to a colossal mistake'. The Government ought to scrap the target and 'apologise that such a ludicrous target was ever set'. In hard-hitting language, he goes to the nub of the issue: an over-riding apprenticeship target which focuses on volume, not quality. In this light it is seen as perfectly okay both for young people to end up in low-cost, low-quality places with limited prospects, and for employers to be paid for 'accrediting the established skills of people who have been in a job for some time' (Ofsted 2015).

Pimping the ride: the value of an integrated training pathway

The Government is seriously in need of a game-changer. Given all the attempted reforms so far, this is a tall order. But one that does not seem to have been seriously considered is to introduce national apprenticeship qualifications.¹⁰ Unlike GCSEs, A-levels and degrees, their apprenticeship equivalents do not lead to distinctive national qualifications. Rather, they are containers for some of the extensive array of vocational and other qualifications. In the case of the higher apprenticeships there is *de facto* an apprenticeship qualification in the shape of a degree or professional qualification. But for those at the level of GCSEs or A-levels, there is just a mix of vocational awards, English and maths qualifications, and technical certificates. This framework approach has the merit of flexibility, but it is also highly fragmented.

Settling on the content and nature of an end-of-apprenticeship qualification would drive

⁹ Level 4 and above – at least the equivalent of a foundation degree.

¹⁰ There is an apprenticeship completion certificate administered by the Federation of Industry Sector Skills and Standards, but this is only an adjunct to the separate qualifications and is little known.

apprenticeships to become integrated tailored training programmes. We can take the requirement to provide catch-up in maths and English as an example of the advantages of this. The Government favours GCSEs as the means for ensuring that the trainees meet at least minimum standards in these core subjects. This leaves trainees who have struggled with these exams at school facing, in the worst-case scenario, the prospect of having to take them again and again to complete their apprenticeship. The new beefed-up GCSEs will put passing them even further out of reach. There has been a functional skills qualification as an alternative, but the Government is discouraging its use since it believes it lacks the currency of GCSEs.

The trouble with both the GCSEs and the functional skills qualification is that they are general in intention. Having passed them as academic subjects does not mean that you will be proficient in them in your line of work. In the admired German system, maths and languages are taught within the occupational field. Apprentice plumbers, for example, are taught the maths needed as plumbers by teachers specialising in teaching maths to plumbers. The trainees usually become very adept in what they have to master in order to qualify, even though they may have had a poor record in it as an academic subject. Studies going back many years have found that German pupils on apprenticeships perform much better in arithmetic than higher-ability pupils in England on academic courses (for example, Prais and Wagner 1985).

When I was seconded to BP for a year in the early 1990s, I saw at first hand the enormous

improvement in performance that is possible when core skills are taught in an applied context. Under an EU scheme, the company in Belgium had received funding to train unemployed young people to be taken on as operatives. A school was contracted to bring the young people up to the necessary standard in maths, science, the mother tongue and English. While the school was delighted with the kudos and money, it groaned audibly when it saw who it was being asked to teach. They were mostly the pupils the school had been only too pleased to see the back of a year previously. But the school was amazed at the transformation. When the young people could clearly see the purpose and relevance of what they were doing, they applied themselves diligently. Of the 14 young people who set out, only one was not given a position by the company.

A distinctive qualification would also give apprenticeships a clear identity and provide a focus for careers advisers. It would almost certainly make them more attractive. At present, many trainees are taking some form of vocational training outside of apprenticeships. Many of these would be likely to be drawn in by a recognised national award. Conceivably, this could be made even more attractive by, in the manner of degrees, bringing an entitlement at some levels to put letters after the name.

National apprenticeship qualifications would be something encapsulating achievement that successful completers could show to potential employers. Life would be easier for employers, too, because they would not have to wade through numerous vocational and other certificates. The problem of how best to

‘The trouble with both the GCSEs and the functional skills qualification is that they are general in intention.’

accredit maths and English in apprenticeships would go away because they could be seamlessly fitted into the training programme and qualification.

An earlier version of these thoughts was published in the *Independent* in June 2015 (Smithers 2015). In the words of the headline writer to that article, if the Government is to achieve its drive for 3 million apprentices, the Prime Minister *'will have to pimp the ride. To attract a new generation of trainees a properly planned qualification is required.'* In addition to the points already made in this essay, the article suggested several other ways in which distinctive qualifications could make apprenticeships more attractive. It argued that it would establish an apprenticeship brand, it would be a brake on the proliferation of standards, and it would make Ofqual's task in regulating vocational qualifications more manageable.

Since the article was published, the Government has sought to strengthen the quality of apprenticeships, though in its own way. When he appeared before the Education Select Committee in January 2016, Nick Boles, the then Minister of State for Skills, said that the fact that anything could be called an apprenticeship was a source of considerable difficulty. The general public could not distinguish the training programmes the Government was supporting from anything else that bore the name. The confusion was severely hampering its efforts to raise the status of apprenticeships. The Government's current solution is to give apprenticeships the same legal treatment as degrees. The term 'apprenticeship' will be protected by law to prevent it being misused (BIS and Department for Education 2016b).

Following the recommendations of the Richard Review (2012), the Government has also moved away from the notion of apprenticeships as containers or frameworks towards specifying them in terms of standards. New standards are being developed by sector-based employer groups known as 'Trailblazers'. As of March 2016 there were 140 Trailblazers involving over 1,200 employers (Delebarre 2016b). However, the new standards are proliferating rapidly, with 1,500 or more in prospect. Ministerial concern has been expressed that they may be too specific, not readily transferable, and, in some cases, directed at jobs with a short shelf life (Nick Boles MP, cited in House of Commons Education Committee 2015, p27).

National apprenticeship qualifications would take ownership of the term 'apprenticeship' and set the government model apart from shams. Integrated apprenticeships would also translate the Trailblazer standards into actual training programmes. This would be a check on the proliferation of standards because they would have to be operationalised as an actual qualification. But rather than this approach, the Government sees the solution as controlling standards directly. An independent employer-led body, the Institute for Apprenticeships, will be established to set apprenticeship standards and ensure quality (HM Government 2015). The details are, as yet, unclear. *FE Week* reported in January 2016 that the Skills Minister was unable or unwilling to say when challenged how the Institute could be expected to oversee thousands of new standards, the 600,000 starts required each year to hit the 3 million target, and a thousand or more providers (Robertson 2016).

In July 2016 it was announced that the Institute will also oversee substantial reforms to college-based technical education and qualifications (BIS and DfE 2016). In doing so it will be taking over responsibility for technical qualifications from Ofqual, the exams watchdog, which, although it has put GCSEs and A-levels under rigorous scrutiny, has struggled to get to grips with accrediting the vast array of technical and vocational qualifications.

The plan, as announced, is that the Institute of Apprenticeships will be responsible for developing 15 common frameworks across college and work-based routes from the age of 16. It will approve one technical qualification for each occupational cluster, set through a competitive process (although leaving it up to employers whether this qualification is used for apprenticeships as well as college routes). Only qualifications included on the Institute's register will be eligible for public funding, thus ending the dominance of the competitive market among awarding bodies in the system. There will be a common core of subjects (including digital skills as well as English and maths) across academic and technical routes.

The streamlining of technical qualifications does much to address the concerns expressed in this essay, but it is still not clear how the proliferation of apprenticeship standards will fit with this, and it seems as though the intention is that apprenticeships will continue to be collections of other qualifications.

National apprenticeship qualifications would not be enough alone to catalyse the intrinsic growth of apprenticeships. There is still the question of the necessary springboard in schools. The Post-16

Skills Plan is content to regard that as the starting age. But will concentration on academic subjects up to age 16, the basis of the way secondary schools are judged, provide the necessary opportunity for young people to discover that they have the talent and want to specialise in particular technical routes or, more generally, embark on apprenticeships?

There was once a Young Apprenticeship Scheme incorporating work experience at Key Stage 4, but it was ended in 2010 mainly on the grounds of cost. The seeming replacement, the present Traineeship scheme, is not in fact for 14–16-year-olds at all, but a *repêchage* post-16 for those who do not match up to apprenticeship requirements the first time around. The experience of countries such as Germany and Switzerland, frequently cited as the epitome of apprenticeships, is that it is beneficial for practical education to be available from the age of 14. The Government has set its face against this, but it is difficult to see why.

Conclusion

A sustainable apprenticeship system needs to grow organically rather than being driven extrinsically by wage subsidies, vouchers and contract bidding requirements. The Government must look beyond politics. It would be embarrassing for it to let the 3 million target fade into the background. But that is what it should do. It is a fuzzy goal anyway, being about neither people nor completions. Focusing on high-quality demand-led apprenticeships also runs the risk of youth unemployment rising. The Government can proudly point to the fact that the number of NEETs has been reduced by 110,000 (11.5%) in the final quarter of 2015 compared with the same

period in 2014. This can be partly attributed to apprenticeships, but we should not forget the raising of the compulsory education/training participation age to 18, which serves to soak up youth unemployment (Delebarre 2016a).

Winning acceptance for the practical education offered by apprenticeships as a genuine alternative to the firmly rooted academic ladders will be an uphill struggle. The main reason for going on to apprenticeships at present seems to be not having done very well in GCSEs. For many young people it is what they end up doing rather than what they would have chosen. For parents, practical education is a poor second best. For many employers too many applicants are just not good enough.

The Government is counting on financial incentives to boost the number of apprenticeships offered, taken up and completed. But for apprenticeships to be intrinsically worthwhile it will have to ensure that they genuinely meet employer needs, attract more able applicants, and that perceptions are changed. Could it be that the national apprenticeship qualification is the philosopher's stone that would turn government hopes into reality?

'A sustainable apprenticeship system needs to grow organically rather than being driven extrinsically by wage subsidies, vouchers and contract bidding requirements.'

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3 Employers and meeting the Government's target: what could possibly go wrong?

Ewart Keep and Susan James Relly

Since the General Election, apprenticeship policy has assumed a new, further heightened prominence. With the Conservatives' manifesto pledge of 3 million apprenticeship starts between 2015 and 2020 – subsequently backed by the announcement of a compulsory, UK-wide apprenticeship levy to fund reforms – apprenticeships have become the 'big ticket' item in skills policy. Indeed, Martin Doel, leader of the Association of Colleges (AoC), went so far during the AoC 2015 National Conference as to argue that the Government no longer possesses a fully worked-up skills strategy, it simply has an apprenticeship strategy. Lest this be thought an extreme view, it should be remembered that government ministers have repeatedly expressed the view that their long-term aim is to achieve a simple, binary education and training world wherein all young people either enter university or an apprenticeship.

As a result, apprenticeship reform has become a high-stakes area of policy. As the authors have noted in the past (Keep and Payne 2002, Keep and James 2011, Keep 2015a), the roles of employers within the apprenticeship system, and their reactions to reforms, are utterly critical to the success or failure of what the Government intends. This essay therefore highlights some

of the potential challenges and pitfalls that policy faces in general, but also specifically in relation to employers.¹¹

Owning the target

The first problem is that, as ever, despite the usual rhetoric about apprenticeships needing to become 'employer led', the Government has unilaterally and with no prior consultation set an over-riding target for expanding apprenticeship numbers. As the House of Commons Business, Innovation and Skills (BIS) Committee noted, *'the Government has not consulted with, or considered the impact that this policy will have on, industry ... and we are concerned that this is a decision that has been made with no consideration for what type of training businesses actually want to facilitate'* (House of Commons BIS Committee 2016, p17). Firms thus have no prior ownership of or investment in this figure. Politicians have set it and employers are now going to be forced to pay to meet it (see below). This is hardly an ideal starting point for delivering reforms that depend on securing enhanced employer buy-in.

In addition, one of the dangers with politicians making targets the centrepiece of any skills policy (see Keep 2006, 2009) is the tendency that once the target has been set and announced, policy

shrinks down to become simply meeting the target, at no matter what cost. If progress towards the 3 million target, trade-offs between quality and quantity will doubtless loom, as they did under the early years of the Coalition Government, where the decaying remnants of Labour's workplace training programme Train to Gain morphed into adult 'apprenticeships' at level 2 which largely consisted of accrediting the pre-existing skills of adult employees. This is an issue we will return to below.

The apprenticeship levy – fallout from the nuclear option?

Having won the General Election, the new Conservative Government decided that the voluntarist approach to training, originally adopted in 1981 under Norman Tebbit and Margaret Thatcher, and maintained as a central tenet of policy (despite occasional wavering) under New Labour, was finally to be abandoned. The decision to opt, with no prior consultation, for a compulsory apprenticeship levy on larger companies reveals an unspoken but massive tension that now lies at the heart of apprenticeship policy. As noted above, government wants apprenticeship to be owned and led by employers, but the imposition of a compulsory levy is an implicit acknowledgement that, left to voluntary choice by firms, there

¹¹ This task has been made more difficult by the fact that many central elements of the Government's plans remain to be developed in any detail. In the space available, we cannot cover every topic, and even those we do cover may not be afforded the coverage in detail that they deserve. The essay should be read in conjunction with other relevant research by the Centre for Skills, Knowledge and Organisational Performance (SKOPE). See, for example, Keep 2015a and 2015b.

was little or no chance that they would have been willing to 'own' apprenticeships by paying one third of the cost of each apprenticeship place up front, as the Government's reform strategy had assumed. With further cuts to public spending looming, this gap had to be filled.

In a sense, this realisation reflects a broader, more fundamental problem. The state desires a general step-change in training investment by employers, and for many years policy has been predicated on bringing this about, but the harsh reality is that employer-provided training has been falling. The incidence of training across the workforce is back to where it was in 2000 (Mason and Bishop 2010) and the average number of hours of training per worker being delivered has fallen by 40–50% between 1997 and 2012 (Green et al 2013). Employer training is in retreat rather than expanding (for details and some possible explanations, see Keep 2015a). The question is whether a levy is the best way to address this trend in relation to apprenticeship provision.

There are many difficulties with the move to a levy which there is not space to explore here. Perhaps two things need to be noted. First, the reforms to apprenticeship content, quality and assessment, coupled with the 3 million starts target, already represented a high-stakes policy, and the introduction of a levy that many employers do not fully support, and of which some are deeply resentful, simply adds further stresses and dangers to the rollout of these reforms. The Government believes that employers will accept the inevitable and decide to co-operate and provide places in order to get their money back. This is a big, untested assumption

and, as the CBI and others have indicated, many employers are very unhappy with what is about to happen. The authors have already encountered firms where the finance director has threatened to simply lop the sum that the firm has to pay under the levy off the organisation's overall training budget, and in sectors where apprenticeship is not a popular route to entry-level training or where firms lack a capacity or willingness to deliver this type of training, the consequences for adult training volumes may be dire because very little of the levy may be reclaimed (CIPD 2016).

Second, there might have been considerable merit in the Government announcing that it would move to a levy if it did not see sufficient progress on employers making a greater voluntary contribution towards training costs. In other words, having decided to unveil a nuclear weapon (the levy), it threatened its use and waited to see what effect that had on behaviours, rather than moving straight to dropping the bomb without any warning period. This is because it could be argued that in order for a levy to work, there needs to be a widely perceived (not least by employers) skills crisis for it to be seen to be justified. This was the case when the statutory Industrial Training Boards (ITBs) and the levy-grant system were introduced in 1964 against a backdrop of strong cross-party consensus centred on a looming crisis in the training of young people (Perry 1976), but it is far from clear that it is the case today. The 'crisis' that underlies the new apprenticeship levy is a crisis for government, one that centres on how to pay for expanded provision and encourage enough employers to participate. But apprenticeship numbers are not a crisis for most employers.

Crisis – what crisis?

For the last two decades, successive governments have argued that we need a revolution or step-change in the volume and quality of apprenticeship training. A relatively small band of employers who are enthusiasts of this mode of training have concurred. The vast bulk of employers have done precisely nothing. Indeed, one of the central barriers to developing and delivering a high-quality apprenticeship system in England has been the attitude of the majority of employers (Keep and James 2011), who have proved indifferent to appeals for them to offer greater buy-in and leadership, and who have remained either wholly disengaged from the system (around 90% of employers do not offer apprenticeships), or content to assume a largely passive role and let training providers design, manage and deliver apprenticeship for them with often minimal involvement by the firms themselves (Hogarth et al 2014, Fuller et al 2015).

In other words, current apprenticeship provision is decisively provider- rather than employer-led, and if there is a skills crisis which apprenticeships could solve, employers have hardly rushed to avail themselves of this opportunity, despite government exhortation and funding. Indeed, the resort to a levy can be seen as not simply a reaction to a looming government funding shortfall, but also and more importantly as an implicit admission by policy-makers that only through coercion and being bribed with money that has been taken off them via a tax can employers be incentivised and motivated to get involved in the apprenticeship system. In other words, there may be an apprenticeship 'crisis', but it is one centred on large-scale employer indifference.

The underlying problem, which it has proved exceedingly hard for government to acknowledge, still less address, is that demand for skills in our economy is low by international standards. The Organisation for Economic Co-operation and Development's Adult Skills Survey (OECD 2013) shows that the UK finishes 21st out of 22 developed countries in terms of the level of demand from employers for workers qualified beyond compulsory schooling. In some sectors demand for the kind of craft and technician skills apprenticeships can best supply remains high (for example, engineering and electrical contracting), but the uncertainty caused by Britain's exit from the European Union could hit these traditional apprenticeship sectors, and across large swathes of the service sector (which is where the bulk of apprenticeship provision is now actually located) demand for skills, particularly at higher levels, is limited. This does not bode well for government plans. In this sense, the 3 million apprenticeship starts target is simply yet another in a very long line of attempts by policy-makers to boost skills supply without first addressing problems on the demand side (Keep et al 2006, Keep 2015a).

Moreover, alternative routes to delivering the skills employers may need are also concurrently in play in the policy arena: national colleges, institutes of technology, a new engineering-based university in Hereford, new technical and professional education (TPEs) to be delivered through greater specialisation within existing further education colleges, and so on. Doubtless apprenticeships, particularly at higher skill levels, will feature in these institutions' pattern of provision, but an employer could be forgiven for thinking that if they do have

intermediate and above skill needs, there is a reasonable chance that someone else might be stepping in to provide them.

Quality versus quantity?

A second set of problems centre on quality. A significant number of current apprenticeships do not meet the minimum quality thresholds set for them (see Keep 2015a). It is therefore an open question whether either employers, or more importantly training providers, will find it easy or attractive to deliver the new, more costly and demanding standards that the reformed Trailblazer standards will bring with them. For example, the specification of a day a week off-the-job training has massive cost implications for employers in sectors such as hospitality and retail, where to date the vast bulk of apprenticeship learning has been in the workplace and on the job. Survey data suggests that in 2014, 26% of employers admitted to offering their apprentices less than three hours per week on activities that were not part of their job role (Shury et al 2014), and 20% admitted that their apprentices did not receive any formal training (UKCES 2015, p19). The very slow and limited rollout of those Trailblazer standards that have been approved (Robertson 2016), with just 770 starts on the new standards out of 153,100 for the last quarter of the financial year 2015-16 (Department for Education (DfE) 2016), certainly suggests that neither employers nor providers are straining at the leash to move to the new, higher requirements set out in the standards (for a more detailed discussion of the reasons for this, see Keep 2015b).

We would argue that combining demands for increased volume with quality upgrades requires a different approach to quality

'The underlying problem, which it has proved exceedingly hard for government to acknowledge, still less address, is that demand for skills in our economy is low by international standards.'

enhancement from that hitherto adopted in England. After more than 20 years of ongoing reform, it is not unreasonable to ask why so little has been done to establish well-founded sectoral or occupational institutions that might regulate and improve apprenticeship provision.

There are two, interlinked reasons. First, official ideology (spanning New Labour, the Coalition and now the Conservative administration) has chosen to stress market-based, transactional relationships as the means of delivering efficient and effective skills outcomes (Keep 2006, 2009, 2015a), and to view apprenticeship as something that can be delivered through transitory contractual relationships between individual employers and Independent Training Providers (ITPs) within the context of a fragmented 'spot market'. Fuller and Unwin's 2003 observation that apprenticeships were a government scheme delivered by private contractors remains as true today as it was then. Indeed, as government statements have indicated, current thinking is that *'the employer is the customer'* (HM Government 2014, p6), and the CBI has argued that *'businesses want to be an empowered consumer, not training providers themselves'* (Carberry 2014).

The second problem is the fragility and impermanence of our employer bodies at sectoral and/or occupational level, and the lack of long-term commitment from the state to support and nurture such institutions. Thus the Government finds itself ushering in the apprenticeship reforms just at the moment when it appears to have finally abandoned (at least for now) any commitment to, or belief in, the virtues of long-term structural arrangements that at sectoral level might co-ordinate

employer opinion and deliver collective action on skills. The abolition of the UK Commission for Employment and Skills (UKCES) and with it the abandonment of the concept of employer ownership of skills (see Keep 2015a), coupled with the withdrawal of state funding for the Sector Skills Councils, marked a shift towards reliance on temporary, one-off employer groupings of the type that have been charged with creating the apprenticeship Trailblazer standards. The problem is that small, temporary clubs of enthusiasts are a weak and unsatisfactory mechanism for marshalling and delivering concerted and widespread employer buy-in and action. As the former Skills Minister Nick Boles admitted, *'I think we should all be honest and observe that the employers involved ... are employers of a particular kind, a particular depth of resource and the apprenticeships involved are a particular kind of apprenticeship, they're not necessarily absolutely typical'* (cited in Whittaker 2014).

At present, the only publicly available official thinking on how to address these issues (BIS and DfE 2016) suggests that the new, employer-led Institute for Apprenticeships will be charged with responsibility for overseeing the updating of apprenticeship standards, as well as other vocational qualifications, in the absence of any more permanent institutional configurations at sectoral or occupational level. While this may solve the problem of how to update standards, it ignores the much wider issue of how to 'concert' employer commitment and action.

These distinctive English approaches are in marked contrast to many more successful overseas models, which see skills and

training, particularly in relation to apprenticeships, as delivered within a systemic set of longer-term relationships underpinned by institutional governance arrangements that can support collective employer action and social partnership, and which are configured to deliver quality through co-operation, the building of trust, and via mutual sets of obligations between the various parties (the state at various levels, education providers who deliver the off-the-job elements of the programme, parents, apprentices, trade unions, and employers acting individually and collectively). German or Swiss employers would not normally see themselves as customers in an apprenticeship market. They would be providers and partners within an apprenticeship system (Keep 2015a, p26). For as long as we cannot see beyond the marketplace model, it is likely that we will struggle to deliver quality, as this is founded in part upon the strength of the relationships within the system.

For example, there are lessons to be learned here from the Irish approach to apprenticeship reform. Ireland is about to embark on a major expansion of apprenticeship (at levels 3 and above) in occupations beyond the traditional manual crafts and trades. Its consultation on designing, setting up, managing and revising apprenticeship schemes in different occupations and sectors (QQI 2016) lays out a robust and exacting model for quality assurance and improvement. It includes requirements to ensure that employers have the internal training capacity and range of job tasks and experience to support high-quality apprenticeships, that external providers have the expertise to deliver the off-the-job element, and that the

two elements of learning will be co-ordinated and blended. For each occupation there is to be a single co-ordinating provider, which establishes a programme board for apprenticeships in that occupation and which oversees and evaluates provision and seeks to enhance quality and update qualifications and learning packages. It is light years ahead of anything we are thinking of.

One major potential role for the new Institute for Apprenticeships would be to start to shift our core delivery model away from external training markets and into long-term partnerships backed by supportive institutional arrangements. Whether the Institute will be given the time, space, resources and clout to embark upon such a venture remains to be seen.

Developing the workplace and workplace learning – a critical missing element?

Even if employers do buy into the levy, and this has a ripple effect to smaller firms through supply chains or simple exhortation, the bottom line is that many workplaces are not set to deliver workplace training in the way envisioned by the Government. To begin, many companies are operating with very small profit margins. For example, some in the food processing industry are operating at a 1% profit margin (Lloyd and James 2008). As a consequence, the development of skills and knowledge, where it occurs in these workplaces, is a by-product of producing a good or service and is not the main purpose (James 2006).

In addition, workplaces are not homogenous. Differences in company size and employer approach impact on their engagement in apprenticeships.

A recent Ofsted report (2015) based on the example of London showed there are 927,730 small and medium enterprises (SMEs) that could potentially provide attractive apprenticeships, which are high in demand in the capital. However, the report found that many of these SMEs do not offer apprenticeship places because of the lack of additional resources, such as HR staff or time for employees to train apprentices. SMEs also appear to be unaware of the flexibility of the apprenticeships programme framework, which can be adjusted by adding different units based on their micro-business needs (Ofsted 2015). The policy to pass on the tasks (and associated expense) of devising and updating the apprenticeship standards to employers runs the risk of putting more time and administrative pressures on small and medium businesses who may already be sceptical about the amount of work and commitment taking on an apprentice may require. This could outweigh the benefits of training a young person. Once again, the question emerges of where the collective infrastructure to support employers (SMEs included) to deliver enhanced apprenticeship provision is meant to come from.

Wishful thinking makes a poor foundation for planning or action

Apprenticeship policy reflects long-standing trends within skills policy more broadly conceived. It has become loaded down with worthy, but often fairly unrealistic, expectations, particularly in relation to what employers are willing to pay for and do, and the timescales within which reform can be delivered. This gap between hope and reality is in no small measure founded upon a continuing misapprehension about

the importance that many firms place upon skills and upon the nature of their competitive and product market strategies. If large parts of the economy and labour market are trapped in some kind of low-skills equilibrium, or at the very least, have learned to get by with narrow and shallow skill requirements (Keep and Mayhew 2010, Keep 2015a), the impetus for firms to rise to the challenge set them by apprenticeship policy may be smaller than policy-makers often assume.

The current government's long-term 'vision' for apprenticeships (HM Government 2015) is long on what it is hoped should happen, rather shorter on the detail of how these desiderata might best be achieved. It would be good to believe that there is a Plan B ready for when at least some elements of the reform and delivery programme run into trouble, but the signs on this front are not encouraging.

Targets, for good or ill, remain a core government policy device. They usually either get met or, where this is not going to happen, are endlessly revised until they quietly fade from view. The great danger with the apprenticeships target is that it becomes the 'be all and end all', and we meet it only at the cost of yet again failing to upgrade quality and the elements that underpin its delivery.

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4 Unions and employers in the driving seat

Tom Wilson¹²

Unions and apprenticeships have a long history. From the Middle Ages the guilds were a form of early trade unionism: skilled workers banding together to promote their trade and defend standards and wages. An essential job for the guilds was to regulate entry and hence oversee the apprenticeship system, subsequently formalised by the state as lasting seven years in the 1563 Statute of Artificers and Apprenticeships. The Industrial Revolution put this craft system under intense pressure, and in 1814 apprenticeship status was abolished for any occupation not covered by the medieval statute. Basic rights that limited apprentices' hours to 12 per day and ensured they were taught reading, writing and arithmetic were repealed.

The early unions and chartists fought these changes, and have since played a key role defending rights for apprentices and seeking to prevent employers using them as cheap labour. For the past 500 years, unions, employers and governments have debated, argued and legislated on issues about the pay, length, educational content and funding of apprenticeships, and these same issues are at the heart of union debates today.

Arguably in recent years some unions had become less involved in skills policy issues and focused more on meeting the acute challenges of jobs, pay and

conditions. But this is changing. There was a resurgence of interest within unions during the 1990s, culminating in the 1997 establishment of new legal rights for the new concept of a union learning representative to promote learning in the workplace. In 2006 the Trades Union Congress (TUC) set up Unionlearn to manage the newly established government-funded Union Learning Fund and support access to training for union members. There is growing recognition by government and employers that unions can and do contribute to the debate about apprenticeships (see, for example, Cable 2013 and Hancock 2014).

So if unions are returning to playing a major role in skills policy and delivery, as they are in most other industrial economies, what do they want? What do they offer? And what role should unions play in the apprenticeship system?

The key challenge

The right institutional environment for apprenticeships must balance the long- and short-term needs of employers, unions, government and providers, with input from experts. It must balance the needs of young people, those they work alongside, and the economy. It should encourage equity, aspiration and high standards. So it will necessarily be somewhat complex. The key players are clear. The best way to work out their respective roles is to look at the basic issues.

From that emerges the basic architecture required to deliver.

A good apprenticeship should primarily be a route into an occupation (not just a job) which conveys pride in achieving high standards and a sense of identity, often leading to a long-term career. To put it simply, unions want fewer, but broader and longer, apprenticeship standards. Individual employers often argue for the reverse: more, but shorter and narrower, apprenticeship frameworks which meet their immediate skills needs. The key challenge is to reconcile those two perspectives.

A negotiated settlement is the best way to achieve this. In sectors such as engineering and construction, national agreements covering apprentices are negotiated between unions and employer representatives. The aim is to sustain the pool of broad skills that the entire sector will need, not just the specific needs of one employer at one time. Where unions are recognised by individual employers they are able to negotiate agreements that formalise a commitment from both the employer and the union to support young people in the workplace in the long-term interests of the industry.

In skills as much as pay, strong minima (such as the statutory minimum wage, or the legal

¹² I am deeply grateful to Matt Creagh, senior policy officer at the TUC, for his work over several years on apprenticeships, which has informed the ideas in this essay.

definition of an apprenticeship) set the scene within which bargaining can develop appropriate agreements that reflect the changing needs of different sectors. This is the basic union skills agenda: strong but minimal regulatory architecture which gives employers and unions the key roles. Of course both sides will need advice and support from experts and training providers, but the key decisions should be made by the two key parties: employers as purchasers and unions representing apprentices and the wider workforce.

The issues

(a) Access to apprenticeships

Having set the scene, what are the key issues? The first is one feature of apprenticeships which gets far too little attention: equality and diversity. Segregation by gender and race is still widespread, arguably more so than in any other area of education. TUC-commissioned research shows that female apprentices are substantially over-represented in low-paying sectors where it is difficult to progress and young people from black and minority ethnic backgrounds are under-represented in high-quality apprenticeship frameworks (Newton and Williams 2013).

Gender segregation in apprenticeships mirrors wider patterns in the labour market (Fuller and Unwin 2013). In 2014, 96% of engineering and 98.7% of construction apprentices were male, while women made up 83% of apprentices in lower-paying health and social care and 91% in childcare. A survey by the Young Women's Trust

(2015) found that women earn 21% less on average than men while on an apprenticeship. Similarly, many ethnic minorities are under-represented in some apprenticeship sectors, including engineering and construction, and over-represented in others such as leisure and travel. Around 25% of applications made via the central apprenticeship vacancies system are from ethnic minorities, but only 10% of the starts are by ethnic minorities (Crook 2015).

Although these figures are slowly improving, the pace of change is glacial. Reforms to the collection and monitoring of equalities data for apprentices, improvements in recruitment practices, and wider practical measures such as support for single parents undertaking an apprenticeship, including access to free childcare¹³ and more part-time apprenticeships, would help tackle issues of gender segregation and under-representation in apprenticeships.

More broadly, careers guidance needs to be significantly improved to ensure that young people are more aware of the full range of opportunities across all sectors (see Ofsted 2012, 2015). Knowing about pay and prospects matters a lot. It makes a big difference to attitudes of applicants and their parents about which apprenticeship to choose. Good careers guidance should start far earlier, embedding an understanding of the world of work from at least early secondary school, if not before. Young people should be given an opportunity to test different kinds of occupations and encouraged to reflect on their own desires and aptitudes. This approach could be used to actively encourage young men and women

to explore options that challenge traditional gender stereotypes.

Improving access to information about apprenticeships among young people could help to address problems of low take-up and high dropout rates (see Ofsted 2015). As the Ofsted Chief Inspector Sir Michael Wilshaw has said, *'The fact we've only got 6% of youngsters going into apprenticeships is a disaster, and it's really important that schools are fair on their youngsters and make sure that all the options are put to them'* (quoted in Whittaker 2015). High-quality pre-apprenticeship training – building on the current Traineeships – is also essential in supporting fair access and a high standard of entry to apprenticeships. Over time, this entry route might be included within the new apprenticeship levy system (see below).

(b) Breadth, depth and duration

Recent apprenticeship reforms have seen employers being put 'in the driving seat'. It is a metaphor beloved of Labour, Liberal and Conservative ministers. But is a car the right metaphor? And if it is, who decides the route? Who pays for the car and fuel? Who designs the roadmap?

Currently, there are far too many apprenticeship frameworks that are low level (only one year, often level 2) and do not meet the needs of either employers or apprentices. That is partly why nine out of ten employers do not have apprentices. It is also why so many people think apprenticeships are for other people's children (Wolf 2015). Unions strongly support employers taking more responsibility for apprenticeships,

¹³ For example, apprentices are not eligible to receive free childcare funding under the Care-2-Learn scheme, which other further education students can benefit from.

‘Good employers see beyond their own short-term skills needs to the longer-term needs of the firm and the sector, and recognise the value of working with unions and other stakeholders to achieve this.’

but young people need the chance to move between employers. Leaving the design to individual employers risks a further drift towards narrower and shorter apprenticeship frameworks. Some of the new standards being set through the Government’s Trailblazer standards have been set through consultation with a broad range of employers. Others (for example in aerospace and automotive) have been criticised for involving too few employers.

Good employers see beyond their own short-term skills needs to the longer-term needs of the firm and the sector, and recognise the value of working with unions and other stakeholders to achieve this (see, for example, EEF, quoted in Husbands 2013). In many other countries there is input from trades unions, colleges, universities and educational experts. Together they have ensured that apprenticeships are broad qualifications that include the underpinning academic subjects that enable learners to gain broad theoretical understanding and underpin mobility and progression in the labour market (ETUC and Unionlearn 2013). Unions broadly welcome the requirement that apprentices should reach reasonable standards of maths and literacy, but almost all other systems recognise that apprenticeship training should provide the grounding for a career, not just an entry-level job.

All the key stakeholders – employers, government and trades unions or professional bodies – should have greater involvement in apprenticeship design, as in Germany and most other developed countries around the world. A joint approach is the key to developing a smaller number of apprenticeship frameworks of higher quality, breadth and

duration. Influential work by Alison Fuller and Lorna Unwin (2008, see also essay in this volume) on ‘expansive’ versus ‘restrictive’ apprenticeships has for several years underlined the importance of longer apprenticeships. That means the driving seat cannot simply be left to employers. Government, unions and experts are more than just passengers.

(c) Apprenticeship pay

Across the developed world, unions see a trade-off: at the outset when apprentices are not contributing a great deal and require more training and supervision, they are paid less than towards the end of their apprenticeship when they are more productive. This kind of differential is often embedded in collectively negotiated agreements that sit over and above legal minimum wage rates for apprentices. In effect there is an agreement between employers, unions and government that, in return for high-quality apprenticeships that typically last for three years and lead to decent pay and careers, apprentices’ pay is low in the early years.

Bargained sectoral agreements are far more widespread than just the well-known example of Germany. In Ireland, for example, the construction industry agreement, signed in 2011 and annually updated and ratified, stipulates that first-year apprentices are paid 33% of the national rate for craftsmen; second years, 50%; third years, 75%; and fourth years, 90%. In the Netherlands the national construction industry agreement as of January 2012 stipulates wages for apprentices running from €196 a week to €567.20, according to age and seniority.

By comparison the UK apprenticeship pay system is much more mixed. Courses are

shorter, pay rates are closer to the legal minima, and the rate of progression is much lower than in most other countries. There are also high levels of non-payment of the minimum wage. The 2014 apprenticeship pay survey revealed that one in seven apprentices and nearly a quarter of 16–18-year-olds studying at levels 2 and 3 were paid below the relevant minimum wage rate.¹⁴ Non-compliant pay was most common among apprentices in hairdressing (42%), children's care (26%) and construction (26%) (BIS 2014).

In fact, the UK system more closely resembles Estonia and Cyprus, where most apprentices are entitled only to the minimum legal wage, as are other workers, but the rate is very low and there is considerable anecdotal evidence to suggest that some apprentices are paid even less than the agreed rates. Should the UK apprenticeship system be closer to Estonia and Cyprus than Germany? To which economic model do we aspire?

Summing up this picture, there are three key points.

First, there should be a properly enforced legal minimum apprenticeship rate. But what also matters is the increase beyond the minimum. Unions in the UK have historically supported and recognised the trade-off described above. It is important that the starting rate is not so low as to cause hardship or make it practically impossible for young people to embark on an apprenticeship, but if employers were compelled to pay apprentices the same as other young workers they may avoid recruiting apprentices or seek to reduce the relatively costly and

unproductive training element of the apprenticeship and increase the work element. Some employers would seek to recruit those who could do a productive job from day one, not those who would benefit from training, or design jobs so that they could be performed with minimal training, thus reinforcing the UK's low-pay, low-skill economy.

Second, the quid pro quo for a low starting rate is a high-quality apprenticeship leading to an occupation with significant breadth and depth. It is reasonable to have a relatively low starting rate for apprentices, *provided* it leads to a quality two- or three-year apprenticeship. Without the promise of progression there is no justification for a low starting rate. The TUC believes that all apprenticeships should last for at least two years and potentially lead (where the apprentice wishes and has the aptitude) to at least a level 3 qualification. Of course moving to two years could not happen overnight. But for employers to argue that some apprenticeships inevitably and naturally hit a ceiling at level 2 suggests the job is too narrowly conceived.

Third, the appropriate rate of pay on an apprenticeship should reflect the productivity of the typical apprentice. As in most European countries, there should be a steep gradient of increased pay. In a typical 3-year apprenticeship this might, as a tentative example, be 40%, 70% and 90% of the skilled rate upon completion. These rates cannot be established centrally by government. They should be collectively bargained as part of a system which adjusts pay, conditions and content to the changing nature of the work, and provides apprentices with a voice.

(d) Increasing the numbers: the role of funding

The funding system is an important lever when it comes to increasing the number of high-quality apprenticeships. The incoming Conservative Government announced a new apprenticeship levy on large employers in July 2015. The levy consultation paper showed the relentless decline of employer-funded training over several decades and contained a remarkably candid assessment of the failure of successive government initiatives aimed at exhorting, incentivising or directly funding employers (BIS 2015). The Government rightly recognised that the risk to UK productivity of continued under-investment in skills was too great to allow the slide to continue.

The TUC has long supported a training levy on all employers. Some kind of levy system is widespread around the world. It is recognition that training is a shared cost that employers should bear equally but will be unlikely to do so in a free market, and can shape the behaviour of all the stakeholders. However, TUC and union support for the levy is not unconditional. It is essential that unions are fully involved in the design, governance and implementation of the levy to ensure that the majority of apprenticeships are at level 3 and above. It is welcome that the Government has recognised the need to raise quality as well as meeting the target (BIS and DfE).

The aim of the levy must be to effect a fundamental change in employer attitudes and behaviour such that, over time, the levy ceases to be necessary except as a reserve lever to use *in extremis*.

¹⁴ At the time the survey was conducted the National Minimum Wage rate per hour for apprentices was £2.68 for those aged 16–18 or in the first year of their apprenticeship, £5.03 for those in their second year or later and aged 19–20, and £6.31 for those in their second year or later and aged 21 and over. The apprentice rate is currently £3.30.

‘Alongside employers and other stakeholders, unions should also be embedded in the new skills architecture, with a key role in setting standards and on the boards of governance and oversight bodies.’

In Germany it is a common culture which supports the system and motivates employers, not the compulsory levy operated by the Chambers of Commerce. Studies have shown that levy systems are successful where there is employer and employee buy-in and support (Hogarth et al 2014). When the 1964 Training Act introduced the training levy there was a wave of change. Many employers set up Group Training Associations (GTAs) offering high-level apprenticeships, which help employers to pool the costs of training and give apprentices the chance to learn a range of skills across more than one employer. Many of those GTAs remain and continue to flourish.

This is why it is legitimate to extend the scope of the levy to as many employers as possible, and why only employers who pay the apprenticeship levy should receive funding from the levy fund. If the levy is used to support government funding for smaller employers, levy-paying employers will simply see it as a tax to fund cuts in the skills budget. Currently, the rate for the levy will be set at 0.5% of an employer’s pay bill, collected via PAYE, with an allowance of £15,000 that means only employers with a pay bill of more than £3 million will pay. Once this system has been implemented, a two-tier system for apprenticeship funding should be developed, with the size threshold (that is, the £15,000 allowance) being rapidly reduced to encompass almost all employers as rapidly as possible. Employers should also be able to use the levy funding to fund apprenticeships through their supply chains, where they choose to do so, thus incentivising smaller employers.

Payment via the tax system will utilise existing mechanisms with which employers are familiar.

However, research into comparable levy systems across Europe has highlighted that levies which use the tax system do not necessarily lead to increased employer awareness or participation in skills training (see for example Marsden and Dickinson 2013). Promotional and campaigning work will be needed. Inevitably some employers will also try to avoid payment or game the system. Some employers may try to avoid the levy by breaking up their business into smaller undertakings, for example, or changing their franchising and contracting policies depending on what counts towards overall headcount. The lower the threshold, the less likely this is.

The new skills architecture

Trades unions are the only stakeholders in the system that represent apprentices. That is why they should be given an opportunity to help shape the programme and ensure that high-quality apprenticeships lead to secure, decent employment. Unions and Unionlearn will continue to play a key role in policy and delivery: engaging employers and highlighting both the necessity of, and the route to, high-quality apprenticeships. Alongside employers and other stakeholders, unions should also be embedded in the new skills architecture, with a key role in setting standards and on the boards of governance and oversight bodies.

The proposed Institute for Apprenticeships (see BIS 2015 and BIS and DfE 2016) should be modelled along tripartite lines, like the Low Pay Commission, with representation from unions, employers and independent stakeholders. It should oversee the new levy system and involve the key stakeholders (locally, regionally and sectorally) to encourage a fundamental cultural change, not

just meeting the 3 million target but also addressing the quality and diversity challenges.

Sectoral bodies, led by employers working with unions, should be recognised and encouraged by the new Institute.¹⁵ These should be given a clear remit to advise the Institute on apprenticeship standards and eligible costs and tariffs for the levy. Local Enterprise Partnerships, regional Skills and Employment Boards or similar local bodies should also feed into the national Institute on the pattern of provision and levy eligibility. Neither sector nor local bodies need to be part of the formal levy governance, provided it is clear that the Institute listens and takes on board all such input, as does the Low Pay Commission in its deliberations about minimum wage rates.

Fair pay, equality and progression into employment are key determinants of good-quality apprenticeships. The need for transparent metrics on these issues should be written into the Institute terms of reference. It will be a statutory offence to misuse the term 'apprenticeship' in relation to training that does not comply with relevant standards. The Skills Funding Agency's provider register should be used as an additional check on quality, so that only high-quality providers, including employers, can offer apprenticeships. A supportive (not just punitive) skills inspectorate should be established, developing the role of the Further Education (FE) Commissioner and Ofsted, to ensure that providers adhere to rigorous standards. The Institute should require employers to submit training plans and apprenticeship agreements

stipulating these standards before they can access levy funding. These agreements should be signed off by all the key stakeholders, including a trade union where they are recognised.

This more co-ordinated approach could help build the capacity of employers and training providers to match the increasing demand for apprenticeships. The levy is long overdue but will be a major challenge to many employers. It is the price being paid for years of neglect. The new public sector duty and proposed use of procurement to promote apprenticeships could help improve the number and quality of apprenticeships, but significant work will need to be done to inspire new employers to develop apprenticeship schemes, and it will take time for FE colleges and private providers to meet this new demand. Statutory underpinning is essential.

Conclusion

The fundamental issue is the need to raise the status of apprenticeships. The levy will boost that process, and could fuel investment in a systematic, expanded and improved apprenticeship system, including a reformed Traineeship programme. This essay has shown that unions can and do help, alongside other key players, in the UK and abroad. Giving unions a stronger role in the new levy architecture would help develop and embed the new skills system. Trades unions give apprentices a voice. They can strengthen the legitimacy and currency of the emerging apprenticeship system. They can draw on 500 years of experience.

¹⁵ These sectoral bodies should arise organically and reflect whatever is the prevailing pattern of employer organisation in a sector. In some they may be a trade association, in others a Sector Skills Council.

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5 Sector-led approaches to raising apprenticeships: an employer's perspective

Douglas McCormick¹⁶

High-quality apprenticeships for young people are an excellent way of meeting the needs of businesses and learners alike. Businesses exist to make money and it should be made clear that industry's interest in apprenticeships is not primarily altruistic. As the UK exits the largest recession for a generation, employers across many sectors are running to catch up and train workers to meet new demand. While the effect of Brexit has, of course, yet to be determined, this current demand for skills provides opportunities to hit the Government's target of 3 million apprenticeships by 2020. But we need to do this in a meaningful way, with supply driven by demand and training that is delivered to a high standard.

This essay draws on my experience of more than 30 years working in the construction and rail industries and my role as a Commissioner at the UK Commission for Employment and Skills (UKCES). I argue that sectoral approaches, co-ordinated by industry-led bodies and underpinned by strong national standards, are the best way to support more employers to offer high-quality apprenticeships for young people.

Why apprenticeships matter

In my role as Chief Executive Officer at Sweett Group – an international company that

provides professional services for the construction and management of building and infrastructure projects – I am acutely aware of the need to provide high-quality apprenticeships as part of our wider efforts to meet skills challenges facing the construction sector. We need to act quickly. Skills shortage vacancies across the UK have risen sharply in almost every sector in the past two years. Construction, along with financial services, has seen the highest percentage increase, with 140% more skill shortage vacancies in 2015 than in 2013 (UKCES 2016, p73). At Sweett Group, we have been proactive in developing an apprenticeship scheme to address the skills shortages and high level of service demand we face in the quantity surveying discipline. I am proud that we are now able to take on between five and ten new apprentices each year across the UK. We deliver a two-year quantity surveying scheme, during which apprentices experience four of our largest departments on a six-month rotation. This gives them the opportunity to make contacts across the business and gain a rounded understanding of how the company operates.

Apprenticeships work well because they are mutually beneficial for both learners and businesses. Apprentices can be fantastic advocates for a company. They

bring energy and enthusiasm, and breathe life into our organisations with their world views, technological aptitude and natural creativity. It is a method of training that can provide individuals with transferrable skills in practical areas that higher education routes are not necessarily able to develop. Our apprentices gain hands-on experience that results in a wider skillset. They learn to work with people of all ages and prioritise tasks in a workplace environment, where others are relying on them to meet their deadlines. Working in a profit-driven organisation also gives them exposure to how business is conducted and the opportunity to develop their commercial acumen.

For young people, apprenticeships offer a viable route to a professional career. One size has never fitted all and it is important that apprenticeships provide a competitive alternative to the traditional degree route. For learners, an apprenticeship is an opportunity to enter employment with training and avoid the burden of debt that many university students are faced with. As such it can be a more attractive proposition than a degree. This is an important consideration for disadvantaged young people, who are at most risk of prolonged periods out of employment, education or training

¹⁶ I would like to thank Alex Smith, Communications Coordinator at Sweett Group, for his help with research and drafting for this essay.

‘We need to look closely at how our apprenticeships are delivered and ensure more consistency in the standards of apprenticeships across different regions and sectors.’

that can impact on their pay and employment prospects later in life. We cannot afford to see potential go to waste. We need to be flexible in our approach to suit the needs of different young people. Disaffected pupils may be more suited to learning in a workplace environment, and may do better when supported through a structured apprenticeship than they do in conventional schooling (see Smithers, this volume). Day-release schemes run in partnership with local colleges provide the educational content. In the best apprenticeships, young people can start at NVQ level 3 and progress through to level 5, while earning a regular and stable income.

Delivering quality apprenticeships

We need to look closely at how our apprenticeships are delivered and ensure more consistency in the standards of apprenticeships across different regions and sectors. As part of a UK-wide, holistic approach to developing apprenticeships and meeting the Government’s 2020 target, national standards within sectors should be established so that an apprenticeship from England is worth the same as an apprenticeship from Scotland, Wales or Northern Ireland. This consistency across the devolved nations is critical to ensuring that the skills gained are transferrable across the country. It is counterproductive to put up geographical barriers for sectors seeking to address skills shortage vacancies, which are the driving factor behind industry’s interest in training.

There are also too many token qualifications that short-change our young people and have limited impact on productivity. Looking internationally, there are lessons to be learned from

countries such as Germany and Denmark, which offer a broader training approach, in contrast to England, which too often focuses on specific skills at the expense of wider subject knowledge. A 2010 report examining the differences between bricklaying qualifications in Europe noted that the elements comprising the English NVQ level 2 are *‘narrow in scope with little integration between them’* (Brockmann et al 2010, pp11–12; see also Clarke and Winch, this volume).

Delivering apprenticeships needs careful planning. We need to consider how to develop well-rounded apprentices with skills in the areas that we need most. This is not about reinventing the wheel. We know apprenticeships work. It is about making them the best they can be, and finding ways to support more employers to offer high-quality apprenticeships. I want to encourage industry bodies, government and training providers to work with employers to develop a co-ordinated approach that meets the demands of industry and our economy. We need to make it simple, easy and attractive for employers to get involved with delivering apprenticeships. The Government should work to devise a central framework of what an apprenticeship is and, broadly, how it should be structured. This would improve consistency and clarity, and help to define the increasingly broad range of programmes across further and higher education that count as an apprenticeship.

To create 3 million apprenticeships by 2020 in a meaningful way, we must ensure that we attract the right people and build a positive ethos around apprenticeships. I am delighted that Sweett Group is included in the Top 100 Apprenticeship Employers List (Skills Funding Agency

2016). Government-endorsed accolades such as this are important in raising the profile of apprenticeships, not only to attract employers to consider delivering apprenticeships, but also to inform young people about the options available to them.

Financing apprenticeships

Funding for apprenticeships has traditionally been driven by training providers and has not been aligned with strategic sectoral priorities. As such it has been notoriously disjointed. In contrast to most other sectors, construction has a long-standing funding structure that enables employers to pool their resources to tackle collective skills gaps and deliver efficiencies of scale. The Construction Industry Training Board (CITB) administers a levy on all of its members (mostly contractors) with a wage bill over £80,000 a year. The funds are then distributed back to members through grants issued for particular training activities, including support for apprenticeships. The levy is collected from employers through the PAYE system at 0.5% for direct employees (CITB, no date). When administered well, levies can be an effective way of boosting training activity, as the grants help some small and medium-sized enterprises (SMEs) that may not otherwise be able to afford it to deliver training to their staff, with larger companies subsidising their training.

The Government's new apprenticeship levy, due to be collected from large employers (with a payroll of more than £3 million) across all industries from 2017, aims to address the inconsistency of training across sectors. It will hopefully succeed in delivering a co-ordinated approach to training our young people through quality apprenticeships.

The Government is keen to learn from existing levy systems, and where possible seek to integrate them with the national levy. Employers should welcome this change, as it will fully ingrain the concept of apprenticeships into the UK workplace, put smaller companies on an even footing, and give young people in all regions a chance to find a quality apprenticeship.

The new apprenticeship funding system must work for employers of all sizes, and provide incentives for industry to develop a demand-led system. Policy-makers should strive for consistency of access to funding across all employers. The fact that the CITB levy is not extended to Northern Ireland highlights the baffling disparity between the offerings across the country. Large employers liable to pay the new levy are being incentivised with the promise of being able to get out more than they put in. This benefit must materialise if we are to foster a positive and sustainable apprenticeship culture with employers.

The key to a successful levy funding structure is not necessarily how it is collected, or who administers it. It is how it gets spent. The Government should ensure that funds are assigned to schemes that demonstrably deliver high-quality, useful apprentices. It is essential that the provision for apprenticeships in science, technology, engineering and mathematics skills are prioritised by the Government. The funding distribution should reflect this, so that the UK can continue to compete on the international stage in these areas as well as meet the demands of a growing population. Conversely, the Government should actively remove funding from schemes that are failing to

deliver apprentices that benefit our businesses and the wider economy.

Finally, a history of 'policy churn', with new institutional reforms and funding systems developed under each new administration, has resulted in an uncertainty and confusion that can be a deterrent for employers considering delivering apprenticeships. Once high-quality apprenticeship schemes are established, the Government must work to achieve policy stability. We must develop a plan and stick to it. This will ensure that employers see a return on their investment and are not forced to constantly realign their strategies with ever-moving goalposts.

Fostering sector-led approaches

Most sectors have professional bodies that should be able to support the implementation of apprenticeships across their industry. These bodies can play a useful role in setting standards for training and monitoring to ensure that they are met. In construction, we are already seeing an active approach from industry bodies offering new apprenticeships. The Royal Institution of Chartered Surveyors is partnering with two consortia of employers to develop new standards for apprenticeships through the Government's Trailblazer pilots (Royal Institution of Chartered Surveyors 2015).

The Trailblazer reforms are a milestone in re-addressing the balance of power between employers, industry bodies, government and training providers. The initiative means that employers are able to partner with industry bodies to develop courses that meet their skills requirements. All proposed Trailblazer courses must be approved by government. This should ensure robust quality

‘Improving communication between employers and education providers as to the skills we need “on the ground” is a key area to look at.’

control. By routing funding through employers, the reforms also put employers in a strong position to engage training providers as suppliers, enabling them to raise standards by being selective in their choice of provider. However, while this quality-driven form of apprenticeship provision is a step in the right direction and a good example of co-operation between employers, industry bodies and government, we should be cautious about whether the creation of multiple initiatives exacerbates the proliferation of uncommon standards.

Institutions such as not-for-profit skills academies can also prove useful in establishing the skills objectives of a sector and fostering collaboration between stakeholders to establish the required training provision. In the rail sector, for example, the National Skills Academy for Rail Engineering has a remit *‘to fulfil the strategic role of developing and implementing the skills strategy’* (National Skills Academy for Rail Engineering, no date). The road and rail sector is aiming to contribute 30,000 high-quality apprenticeships towards the Government’s 2020 target (Department for Transport 2016, p25). I am pleased to see the 2016 ‘Transport Infrastructure Skills Strategy’ report identify strategies to achieve this, such as the use of procurement channels to encourage more employers to take up apprenticeships (Department for Transport 2016). Utilising the supply chain to create an obligation for employers to take on a certain number of apprentices is a great way of forcing the issue and pushing towards our 2020 target. This approach could also be used to specify the types of apprenticeships that should be delivered and in doing so target areas with skills shortages.

The rail sector is also leading the way in establishing centres of excellence to provide training in disciplines where there is a significant skills shortage. A new multimillion-pound state-of-the-art National Training Academy for Rail has been established in Northampton, specialising in vital traction and rolling stock training. The development of the National College for High Speed Rail, with locations in Birmingham and Doncaster, is also an example of significant progress in tackling the sector’s skills shortages. The college is being developed in partnership with the Department for Transport, BIS (expected to change to DfE), Birmingham City Council and HS2 Ltd. Once opened, it will support training for engineers delivering the multibillion-pound High Speed 2 rail project, which itself is expected to create up to 2,000 apprenticeship places (BIS et al 2014).

Improving communication between employers and education providers as to the skills we need ‘on the ground’ is a key area to look at. I thoroughly support the notion that *‘employers are best placed to judge the quality and relevance of training and demand the highest possible standards from training organisations’* (Richard 2012, p12). I would like to see aggregations of employers collaborating to provide apprenticeships with the burden of training shared, particularly between SMEs. If we share apprentices, we share experience beyond an individual employer’s business. This can only be a good thing for our industries. Employers should look in detail at the apprenticeship courses we create – the CBI’s response to the new apprenticeship levy calls for a levy that *‘is flexible, supporting collaborative working and not*

penalising those businesses and employers who want to take a sectoral approach' (2015, p3).

I believe we also need to look at ways to deliver sector-based training, with specialist training organisations collaborating with the private sector to deliver schemes. This approach already happens in some places, such as many of the long-running schemes led by Group Training Associations (see Fuller and Unwin, and Wilson, this volume) and, more recently, the aforementioned Trailblazer Apprenticeships. Schemes of this nature support employers to work together to shape the content of a course, ensuring that apprentices have a broad understanding of their sector as a whole.

Conclusion

In conclusion, from an employer's perspective, our drive must be towards a demand-led model, with a consistent approach to delivering and accrediting high-quality apprenticeships that benefit the apprentices, their sectors and the broader UK economy. Within specific sectors, industry bodies should work with employers to establish skills training requirements and work to ensure that these are delivered to a consistently high standard in all regions. Employers should be able to hold training providers to account and drive up standards by being selective in their choice of provider. And, across all sectors, government should play a role in establishing and enforcing standards and in ensuring a quality and sustainable apprenticeship structure that works for our young people.

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6 Why colleges and universities should be offering more and better apprenticeships

Andy Westwood

During the 2015 General Election campaign, the Conservatives pledged to spend Deutsche Bank's LIBOR fines on creating apprenticeships for unemployed 22–24-year-olds (BBC News 2015). At the time this acted as a policy that both rebalanced the economy and proved the 'One Nation' credentials of the 2015 Conservative Party: fines for badly behaving banks reallocated to opportunities for the young unemployed in skills, trades and the kinds of jobs that we all understand and value. It was straight out of Tony Blair's 1997 playbook and Labour's commitment to spend the proceeds of a levy on privatised utilities – the so-called 'windfall tax' – on setting up the New Deal for the young unemployed.

Soon after, David Cameron pledged to introduce legislation in his first one hundred days to support the creation of 3 million apprenticeships. Labour also promised to prioritise more apprenticeships but only at higher levels, abolishing level 2, and ensuring that more of the rest met stricter standards. The Liberal Democrats listed the Coalition's 2 million-plus apprenticeships as one of their key social and economic achievements and all parties promised to expand degree-level apprenticeships.

In 2015 it seemed that politicians of all persuasions were drawn to both big promises and to big numbers of

apprenticeships. Both have become political catnip. As described by HowStuffWorks.com (2009), the way cats are drawn to catnip sounds remarkably similar to the way that politicians are increasingly drawn to apprenticeships:

'The cat will rub it, roll over it, kick at it, and generally go nuts for several minutes. Then the cat will lose interest and walk away. Two hours later, the cat may come back and have exactly the same response.'

This is not just an issue in England. The same might be said of the Labour Party in Wales, where First Minister Carwyn Jones unveiled 100,000 more apprenticeships as one of his six key pledges for the 2016 Welsh Assembly elections (BBC News 2016). More modestly, in Scotland the Scottish National Party Government pledged to increase the number of apprenticeships from 25,000 to 30,000 a year by 2020 (SNP 2016).

Despite this political auction, universities and colleges should take the targets for apprenticeships seriously. As large employers themselves, many will be paying the new apprenticeship levy, and the concentration of skills funding on apprenticeships makes it likely that they will increasingly rival other types of provision.

This essay argues that the interest of colleges and universities should also be strategic. Both sectors

should embrace apprenticeships because they provide more effective ways of achieving the qualifications they offer, more choices for students and employers and, when combined with a good job, the destinations that many students actually want. Furthermore, good apprenticeships might help to provide further education (FE) and higher education (HE) institutions with a competitive advantage in an increasingly ruthless training market, as well as delivering positive spillovers for other areas of research, teaching and learning.

Reality and rhetoric: behind the political appeal

In current policy-making, apprenticeships have become a proxy for pretty much all vocational education. They are a strong and enduring brand, first appearing in legislation in 1563, when the Statute of Artificers decreed that they last for a minimum of seven years. This history comes with the longstanding principle that training is based with a committed employer and leads to valuable practical skills and a well-paid job. John Major must take credit for spotting their appeal in a more contemporary context, relaunching 'Modern Apprenticeships' in a range of 'exciting new careers' in 1994. They had to be 'new' and 'modern' because most had disappeared during the economic shocks that hit the UK economy in the

1970s and 1980s. The number of apprenticeships in manufacturing, engineering, construction, mining and shipbuilding fell as rapidly as jobs and firms did. So too did apprenticeships in the public sector, as the works departments of councils were replaced by contracted services.

Today, politicians still describe apprenticeships as primarily for the young and as a way of learning trades and getting skilled, well-paying jobs. So too do the media. Increasingly, both talk up the choices of (and a choice between) going to university and getting an apprenticeship. This often comes with the inevitable comparisons of cost and debt and the perceived risk of unemployment. Describing apprenticeships as a better alternative to a university degree has become the norm in both the left- and right-wing media (see, for example, Allen 2014 and Tierney 2014).

But few politicians or journalists understand the details beneath these ambitions and stories. Even fewer know much about vocational education and fewer still have experienced it. So both are often light on detail and often wrong. There are not – at least not yet – very many apprenticeships at higher levels that provide real alternatives for young people leaving school or college. Before 2009 there were virtually none. Last year just under 20,000 people started a higher-level apprenticeship in England (BIS 2016), compared with over 300,000 starting a degree in higher education (UCAS 2015). The comparison suffers even more when we consider that the majority of apprenticeships are taken up by people well beyond school-leaving age and that most apprentices at all ages and levels are already working for the employers that

offer them an apprenticeship (Fuller et al 2015).

Apprenticeships are not qualifications. They are jobs with training that employers specify and pay towards. They reflect the labour market and economy in the UK, which is polarised and therefore likely to create apprenticeships at low as well as higher levels. More often than not, an apprentice today is in their mid-20s or 30s and studying a level 2 qualification in a service industry environment. So when the headlines promise 2 or 3 million apprenticeships either as an alternative to university, to a dead end job or to unemployment, interested people will reasonably ask why there do not seem to be very many available to them.

Who champions vocational training?

Many more apprenticeships need to be focused on higher-level skills and qualifications, and the better jobs and firms that will use them. This is an objective that would resonate more comfortably with public perception but also with longstanding diagnoses of failure in the UK's vocational education and training system. It would better meet the skills needs of key growth industries, and ensure that apprenticeships are associated with the top of the 'hourglass economy' and not the bottom. The role of strong specialist vocational providers is crucial to achieving this goal. But these have proved difficult to establish in the UK despite repeated attempts by policy-makers to fill the gap through the introduction of new qualifications and/or new vocational institutions.

Following the Robbins Report, which ushered in one of the first major expansions of our higher education system in the early

1960s, the then Secretary of State for Education and Science, Labour's Tony Crosland, insisted that part of the expansion would be aimed at delivering higher-level skills via new employer-focused 'polytechnics'. He argued that any expansion of higher education should '*move away from our snobbish caste-ridden hierarchical obsession with university status*' (Crosland 1965).

As Scott Kelly (2015), who advised the former Conservative Skills Minister John Hayes, has pointed out, '*fifty years on, higher technical education in England continues to stubbornly refuse to take off*'. He and Hayes are the latest in a long line of politicians and advisers since Crosland to try and help them to do so. Blair and Blunkett had a go with foundation degrees, as part of their drive to expand higher education towards 50% participation but also to orientate more provision towards their vision of a modern knowledge economy. At their peak, in the latter years of Labour's period in office, over 100,000 people were studying for foundation degrees.

Vince Cable (2014), when Secretary of State at the Department for Business, Innovation and Skills (BIS) under the Coalition Government, noted that '*serious weaknesses remain*', with high-level vocational training falling '*through the gap between our HE and FE systems*'. In a speech at Cambridge University in 2014, he bemoaned the loss of focus and capacity for delivering such skills when Crosland's polytechnics achieved university status under John Major's HE reforms in 1992. Cable argued that '*in gaining these universities, we lost something*', as the UK's post-secondary education sector became '*distorted*', with a lack of high-level vocational provision compared with other countries.

‘For all the attempts to create a strong technical pathway, England still lacks these necessary champions. In particular, too many people both outside and inside higher education simply do not think apprenticeships are for universities.’

Cable proposed the foundation of a series of new, specialist national colleges to deliver higher-level vocational skills, and advocated higher apprenticeships as an ‘important solution to the sub-degree gap’. Also in the run-up to the 2015 General Election, Ed Miliband emphasised the need to reform the existing education system, rather than set up new institutions. He committed to make new employer-backed ‘technical degrees’ the priority for expansion within higher education and reform FE colleges into a network of Institutes of Technical Education to help deliver specialist vocational training (Labour Party 2015). Since the election of the Conservative Government in May 2015, the focus has continued with further expansion of higher-level or ‘degree’ apprenticeships, supported by a £10 million fund (BIS and Javid 2016) and the pledge to create new Institutes of Technology (HM Government 2015).

Evidence from the Organisation for Economic Co-operation and Development (OECD) suggests that the gap identified by these policy-makers is very real. According to Pauline Musset and Simon Field in their 2013 ‘Skills Beyond Schools’ report, England in particular (as distinct from Scotland) has *‘too little vocational provision at post-secondary level in comparison with many other countries’*. The authors point out that less than 10% of England’s adult population has professional education and training qualifications, compared with over 15% in the United States and Australia and almost 20% in Germany. They argue that post-secondary vocational education and training is *‘most successful when it has a clear set of institutions to champion it’*, whether within the school, college and university system or through

a separate tier of institutions, such as the community colleges in the United States.

For all the attempts to create a strong technical pathway, England still lacks these necessary champions. In particular, too many people both outside and inside higher education simply do not think apprenticeships are for universities.

Moving away from ‘one size fits all’ higher education?

Higher education is developing a homogeneity that may be damaging in the long term. Following the tripling of tuition fees in 2011–12, the three-year full-time honours degree, largely studied away from home, has become the dominant model. High levels of demand and increasing numbers of full-time students, including from the EU and beyond, have reinforced this – largely at the expense of everything else. As John Gill (2014) wrote in the *Times Higher Education Supplement*, *‘the relentless focus on funding the 18-year-old full-time undergraduate has been at the expense of coherent policy in other areas’*. Most obviously there has been a significant fall in part-time study – nearly 50% since 2012 – but there have also been similar drops in non-degree studies such as higher national diplomas and higher national certificates, foundation degrees and other higher-level technical programmes (see Westwood 2014).

This lack of diversity of provision or strategic focus in higher education is problematic. Despite increasing demand in recent years, the demographic decline of young people and ongoing policy debates about migration, likely to dominate as the UK negotiates its way out of the European Union, suggest that there are risks to a focus on young,

full-time EU and international students. These are economic and social risks too. Providing more and more of our high-level human capital through lengthy residential degrees is expensive and creates labour market bottlenecks, with large numbers of graduates competing for a limited number of graduate jobs (Holmes and Mayhew 2015). The approach may not be optimal for deploying and utilising skills – a particular concern given that the funding model depends on graduates earning enough over time to pay back their loans. We need broader models that enable universities to play a stronger role within their regional economies and local communities and offer a more diverse range of routes into work, with greater cost-sharing with employers and opportunities for young people to earn and learn at the same time.

Further education has similarly failed to engage with the need for more specialist vocational provision. According to *FE Week*, colleges on average allocated less than a third of their 2015–16 adult skills budgets to apprenticeships, compared with 60% at other providers (Burke 2015), and in practice many of these subcontract their apprenticeship delivery to private providers. The gravitational and cultural pull of the full-time, institution-based, young school-leaver has dominance in colleges as in universities, even if the funding is far lower in the former. The OECD argues that FE colleges are in a particularly poor position to champion vocational education and training because of the large proportion of their provision that focuses on mainstream academic teaching at upper secondary level, and because they lack ownership of the relevant qualifications, which rests with awarding bodies or universities (Musset and Field 2013).

Politicians have voiced their frustration at the ongoing reluctance of colleges and universities to engage with their attempts to improve specialist vocational provision. In February 2016 the Secretary of State for Business, Innovation and Skills at the time, Sajid Javid (2016), expressed a desire to see more universities especially those from the Russell Group, offering degree-level apprenticeships. The then Skills Minister Nick Boles outlined similar hopes for FE colleges at the Association of Colleges Conference in November 2015. He pointed out that FE colleges were failing to take advantage of substantial increases in taxpayer funding for apprenticeship training and allowing private training providers to dominate the market, asking, *‘why on earth are you letting these guys nick your lunch?’*

So it is fair to say that while apprenticeships remain a priority for public policy-makers, they do not appear to be a priority for most colleges or universities.

There are several notable exceptions, including the Advanced Manufacturing Research Centre in Sheffield (see Burnett, this volume), the Warwick Manufacturing Group at the University of Warwick, and the University of Winchester’s digital apprenticeships with Fujitsu and ‘digital’ SMEs. These universities collaborate with industrial partners to deliver high-quality apprenticeships and other strong training pathways. The courses are co-designed, co-funded and co-delivered with industry, ensuring that content and structure reflect the long-term skills needs of high-skilled sectors.

Encouraging more colleges and universities to adopt these approaches would help to create

a meaningful technical pathway, where more learning happens in the workplace, and where more higher-level skills get utilised in more productive firms and organisations. That might sound a complicated sentence but it’s proved a much more complicated policy ambition as the UK – particularly England – has continually struggled to develop such a technical pathway: from the 1944 Butler Act, through the Robbins Committee in the 1960s and then Crosland’s relatively short-lived polytechnic era.

These approaches are underpinned by and thrive on wider relationships between education providers and employers, such as collaboration on applied research, other types of training, joint investment in facilities, and sharing of expertise. Crucially, they provide the link between industrial and education policy at local level, enabling students to acquire and deploy their learning within a real innovation context, as they help test and develop new products, services and systems. This provides learners with more than just ticks in competence boxes, offering wider understanding and contextualisation and wider opportunities for the apprentice and the employer.

Innovative universities will see this as one of many ways that they can offer vocationally relevant learning as well as accessing new funding streams. This is how the system works in countries such as Germany, Norway and Switzerland – through overlaps and connections between higher education, employers and the apprenticeship system – and not through false choices between them. There are important spillovers for broader university and business interaction. Good higher-level apprenticeship

programmes will catalyse all sorts of benefits across institutions even if they start with relatively small cohorts.

Economic uncertainty over 'Brexit' could affect traditional apprenticeship sectors in the years to come, but the reforms to devolve more power and resources to local areas have the potential to support a more joined-up approach. All city-regions signing devolution deals are prioritising skills, and particularly in key sectors and at higher levels, as they prioritise local economic growth. Cities such as Manchester and Birmingham (and their wider combined authority regions) have more appetite for organised investment and support for sector growth and high-level skills than Westminster policy-makers do. With new powers over adult skills and capital funding, as well as the ability to support additional investment through retained business rates, cities and their new elected mayors may be an important source of system change in technical education. More so if they are able to work with universities and other employers in the public and private sectors that will be paying the apprenticeship levy. A key goal should be to actively broker the relationships between these stakeholders to encourage the collaboration that underpins the successful partnerships such as those seen in Sheffield, Warwick and Winchester.

Conclusion

Apprenticeships can bring new skills into the workplace and help catalyse productivity improvements in workplaces and sectors throughout the economy. In the longer term, an expansion of apprenticeships at degree level could help build more productive and innovative firms

as well as improving choices for young people. However, one of the problems is that these goals are only vaguely connected or discussed when politicians think and talk about apprenticeships. Their interest is driven by less complex things.

Firstly, most politicians, as we have seen, love a big number and a big target. Two million jobs. Three million apprenticeships. These fit into a simple narrative and offer a set of promises that they can get away with. People like the idea but do not care so much for the detail. Apprenticeships are too often easy, sometimes lazy, politics.

Secondly, expanding apprenticeships appeals to the political ambitions of governments seeking to offer something for everyone, as well as the economic ambitions of rebalancing the economy away from the dominance of the financial services sector. Politically, at least, they are the 'yin' to the 'yang' of university expansion, offering alternative options for young people who do not follow the traditional academic route based on an appeal to the rose-tinted, somewhat sentimental history of traditional jobs and industries – a time when our vocational training system worked, when more employers offered training, when more of the world's manufacturing and engineering was 'made in Britain'.

Thirdly, politicians and voters like apprenticeships because they embody the popular values of our time. They offer the promise of a good job, but only if you work hard to get one. This makes an apprenticeship an entry-level version of the story of people 'who work hard and want to get on', or a step towards becoming part of a 'hard-working family'.

Finally, in a country struggling to come to terms with the popular vote to leave the European Union, it is only a matter of time before a new prime minister or chancellor describes apprenticeships as a key part of rebuilding disconnected local communities and the life chances of the people that live in them.

But we have got a long way to go before apprenticeships provide genuine opportunities for these young people and communities – a long time before there are sufficient apprenticeships to talk meaningfully about there being real options for young people who wish to leave school or college and to study higher-level qualifications in the workplace. Unless apprenticeships actually provide high-quality vocational routes to good jobs and a productive economy, any targets look meaningless.

This requires fewer disingenuous and unhelpful headlines that set up apprenticeships as competition with higher education. It requires far more attention to the detail of how to increase demand for higher-level skills among employers and broker strong partnerships between education institutions and industry. Redressing this situation offers the opportunity to construct an effective vocational training system at higher levels for perhaps the first time. We will not get there unless more colleges and universities, as well as employers, prioritise apprenticeships as a key part of their strategy and deliver more than they do at the moment.

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7 University-led apprenticeships: a new model for apprentice education

Sir Keith Burnett

As Vice-Chancellor of Sheffield University, founded a century ago by local people determined that their industrial city should put the highest-quality education ‘*within the reach of the child of the working man*’, I have more than a passing interest in whether or not my university can still claim to be delivering on this promise.

I am also a vice-chancellor at a time of major change in UK higher education. We are living through an era in which half of school-leavers are heading for university, and paying a heavy price for the privilege. Increasingly, university is marketised and education is defined as a private investment in which young people are drawn to status and brand. Families believe a conventional university degree is the only gateway to future success, while at the same time the decision to triple tuition fees means that they worry about how they will bear the cost. On top of this, the UK’s decision to leave the European Union will have profound effects on higher education, some of which are already being felt, and some which will take years to manifest.

But are we really giving the young what they need? And what about the country as it charts its own path outside the European Union? What about those who are bright and full of promise but who come from backgrounds where taking on the scale of debt now associated with university is unthinkable? What about the other 50%? I worry about these issues, and I

think we all should. I am not just a vice-chancellor. I am also a parent. I have extended family members in the deprived former mining valleys of south Wales. And I am a teacher. I care what we teach, that it is the right thing.

Throughout my career teaching physics in the US, at Imperial College in London and then for two decades at the University of Oxford (where I had myself been a student fully funded by a very different system), I have been privileged to work with many remarkable young people. I have seen first-hand how university can and does change lives. I would do all in my power to preserve that.

But I am no conservationist of a university system for its own sake. If we are to deliver what is needed, we must be prepared to think about what is required now. We must not offer a cheap and inadequate alternative to young people who were not fortunate enough to begin their lives in schools or families able to smooth their paths to the best universities, or to financially support them as they took opportunities to enter careers that all too often require significant amounts of money as well as talent.

This essay describes what it takes to create a new kind of apprenticeship that meets the needs of industry, offers real access and opens up a world of possibility to those ill-served by traditional higher education. It argues that the answer lies in

encouraging research-intensive universities to take a new approach to vocational education and how they work with companies.

Orgreave and beyond: from industrial decline to northern powerhouse

One of the most persistent images of industrial decline in the UK is surely the image of Arthur Scargill and the striking miners facing the police at Orgreave in South Yorkshire. The legacy of changes in global steel production and the destruction of coal mining devastated communities and took away expected routes into work not only in direct production but in the numerous small manufacturing companies that had originally funded Sheffield University and built a city with a fine town hall, a historic Company of Cutlers and ornate buildings on streets with names like Commercial Street.

What would you expect to see at the Orgreave site today? A spent slag-heap? Tired and depressed communities with high unemployment and poor health? What you might not expect is a world-leading research and innovation campus. Sheffield’s Advanced Manufacturing Research Centre (AMRC), after more than a decade of investment, is now growing into a full Innovation District, a flash ‘manufacturing skunk works’ in which cutting-edge university research meets industrial high-tech in partnership with over 100 member companies of the likes of Rolls-Royce, Jaguar Land Rover, Boeing, Siemens,

BAE Systems and McLaren. This was what I found when I came to Sheffield to take up the role of vice-chancellor in 2007. And with it the potential for manufacturing in the north of England to renew itself in ways I had never imagined.

What has this to do with young people? Manufacturing is now mostly done in a capital-intensive environment, where low pay is no longer an advantage. The global competitive advantage comes from being high-tech, from innovation in the value chain. When companies combine with university research, companies get orders and want to expand. This requires investment in skilled workers that match their ambitions.

So a century after local factory workers pitched in donations so their children would have access to a university that benefited their economy and created opportunity, here it is. The AMRC – one of two Catapult centres of applied industry-led research in Sheffield – enables the research and testing required to build new aircraft and energy technologies and help make the factories of the future. It includes the world's first fully reconfigurable factory, with machines capable of rapidly switching production between

different high-value components. Forget images of foundries or oily rags. This building is circular, made of glass, engineers working with no separation from the futuristic factory floor in which machines can be relocated by a programmed autonomous vehicle or a remote control you hold in just one hand.

Beside this, the purpose-built Advanced Manufacturing Research Training Centre provides a high-quality vocational route into university for young people with a focus on the skills and culture that are important to employers. Having first opened in 2013, the apprentice training centre currently provides 600 young people from areas in which education often ends at 16 a top-of-the-range apprenticeship. The apprentices are taught in first-class facilities, with a curriculum that is directly shaped by research undertaken with partner companies at the nearby Catapult centres. The AMRC apprentices are employed by manufacturing companies, who range from global leaders to local high-tech supply chain companies. They all have jobs. They are learning what is relevant, the skills of the future. And they are earning. They have no debt.

A new route for the engineers of the future

Apprenticeships have become part of the political mainstream in recent years, with ministers urging us to find new routes for social mobility and help the UK raise productivity.

But we should hear a loud warning ringing in our ears. Investment in apprenticeships and skills can create capacity for companies to grow, for others to move to the UK or re-shore production. But only if the quality is right, and only if the apprentices are part of a wider system of industrial partnership using the very latest technologies. If all we do is create a track leading nowhere or, worse still, replace existing jobs or graduate opportunities with a cynical take on cheap labour, we have solved nothing.

The apprenticeships at the AMRC training centre are not a second-class option for those not smart enough to make it to university. They are another route into engineering which our country desperately needs, and industry knows it. The companies that lead the world based on their technological know-how understand that these people – immersed in a research-rich value chain of productivity – are the real

Sheffield's Advanced Manufacturing Research Centre (AMRC)



secret to future success. They will need apprentices with the skills of the future, and they will pay to create and keep them.

For Sheffield University, this investment reflects our core purpose and responsibilities to society, and it is not cheap. We are ensuring that apprenticeships are not a cul-de-sac, but instead provide a broad educational basis to support young people at the start of their careers. We are developing a manufacturing engineering degree on the same basis, still sponsored by companies. And looking at other tracks, too. Law. Management. Medical engineering.

We are giving young people the chance to train, operate the robots and do the engineering design needed for future products that only people, trained from the ground up, can do. They will infuse the local small companies and suppliers, and that will rebuild society. Real people need more than talk, more than think tanks. And universities, colleges and companies need more than a never-ending series of conferences and hand-wringing about the supposedly impossible-to-reach 'poor white working-class boys'. Some of our apprentices are indeed the only people in their family in work. They are also smart. They are ambitious. They have no intention of staying poor.

Room for Russell in the Russell Group?

I wish those who talk about apprenticeships and skills policy could meet Russell Fox. In fact, I am making it my business to ensure that as many of our national newspaper editors and politicians with responsibility in this area do meet him, because he has something important to say that comes from real experience.

Who is Russell? He is bright and talented and comes from the east side of Sheffield, where there is limited history of university entrance and an unwillingness to accept high levels of debt. He decided to be an apprentice despite the raised eyebrows of his career teacher at school, who clearly thought that apprenticeships were an 'also-ran' option in higher education. But Russell was looking clearly at his future.

He came to the AMRC as part of its first cohort of apprentices when he was almost 17, sponsored by his employers, local specialist suppliers Eldon Tools. He worked hard, seizing opportunities to learn from trainers who were from industry and changed his sense of what engineering could be and what his own future might hold. He absorbed the targeted maths teaching and the opportunity to use state-of-the-art machinery in a world-class research facility.

Now he is an award-winning apprentice. At 17 he was named Boeing Apprentice of the Year. A young man who had never been to London or on a train before, I took him with me to speak to our region's MPs in Parliament. He has since flown to Seattle to visit Boeing's Dreamliner production facilities. He describes what he learned in the US with bright eyes, and talks about how his own company could benefit from lean manufacturing. He is taking modern production methods back to Eldon Tools, where he has all the markers of a future leader.

Overcoming barriers to change

Many of our leading universities already partner with the UK's top companies on research and innovation, and should be encouraged to develop more

high-quality vocational degrees alongside this. So what are the barriers to this?

First of all, wider quality issues in apprenticeship training. I sometimes wish we had a better word for apprentice, one which did not share terminology with poor-quality and badly funded courses using out-of-date technologies and too often failing to provide a platform to employment. It is currently too easy for providers to give politicians thousands of apprentices signed up to courses from which a third drop out, and to claim success in headline terms. That is a betrayal of employers and young people, and undermines attempts to build parity of esteem between vocational and academic routes.

Sheffield University delivers world-class degree-level apprenticeships that meet the needs of industry and young people. The word apprentice is related to the French verb *apprendre*, to learn. Our apprentices have the same status as students on other degree pathways at Sheffield and will graduate with full honours. At our training centre we recruit companies, not students, ensuring all our apprentices are employed and receive real industry training. And if, as sometimes happens, a company hits hard times or goes under, there are other employers who know the quality of what we do and will take on the apprentices. We have not lost any of our apprentice places yet, despite the challenging times for industry.

There are internal and systemic barriers too. For all the talk of widening participation, university rankings measure quality by entry tariff, not final attainment. This has to change. Rankings, the bane of the marketised higher education

system, actively discourage us from taking students from disadvantaged backgrounds. We take a hit for doing the right thing.

The final barrier is, as is so often the case, cost. Our apprentice training draws companies to invest in the region, but the university subsidises it through other work. We know this training cannot be done on the cheap, and we owe it to the students that it is not. We do not do it because of a market to offer bargain-basement skills qualifications. We invest in this because it is right and we will not lower our standards. But we should not be in this position. Governments sometimes request the very things they make difficult. Funding for higher vocational places within universities should offer a premium for quality.

Who is our system of education for?

Remember I said that the University of Sheffield was founded to provide the best education for the child of the working man. So who is university for today?

Sheffield's AMRC apprentices are truly inspirational, and other places are looking on and wanting the same. BAE Systems are talking to us about creating another training centre in the north-west of England. Boeing is working with us to support their activities in Oregon. I recently hosted the vice-chancellor of the University of Cambridge, who wondered how the model could help to grow a skilled workforce in an area with a shortage of scientific technical skills and very low unemployment. There is interest in our model of apprenticeships from Birmingham to Korea.

We are also talking about setting up new partnerships to deliver high-quality apprenticeships in

Wales. This is a big deal to me personally because it reminds me of my own roots in a mining valley in south Wales, and what my own father told me about technical and vocational skills: that it was not only British industry which suffered by separating out academia and the mind from making real things, but also the communities in Wales that were ravaged by the loss of industries that provided decent jobs and training.

Recently on a visit to our apprentice centre I looked onto the training floor and saw a small group of young men wearing red t-shirts rather than the usual blue ones that bear the logos of the sponsoring companies and our university. When I went to talk to the group, who were working with one of our expert trainers, I found out that they had been referred by the local Jobcentre. As we talked, the young men showed me what they had been making. Each of them glowed. The pride as they demonstrated new knowledge and skills was palpable. The trainer confirmed to me how impressed he had been that every young person in the group was full of potential. He had given them a rigorous and testing challenge and all had succeeded. All wanted more. Yet this handful of young men was only with us by chance, released for a short period into a world of new opportunity. How many more were sitting at home watching daytime TV? I was deeply struck by a sense of responsibility. We – educators and society – were letting these people down.

We need to think hard about how we spend precious educational resource. I do not want to narrow access to university to make it more affordable or to preserve the quality of the elite. I want to expand opportunity to the whole of our society, but in a way that

meets real need head on and which is not afraid to rethink our approach.

We need to challenge the fundamental misperception in society about the division between academic knowledge and applied learning. We also desperately need a rebalanced economy with a thriving industry capable of making long-term investments in people, knowing that they and we will need their skills to create a competitive edge for the UK, especially if we are to navigate life outside the European Union – one which will see us restore jobs and industries, drive innovation, construct major infrastructure projects and export to the world.

What future do I want to see for the higher education sector? One with more diverse and high-quality pathways for young people, where students choose courses of study because they are right for their futures. I want to see a system of funding not built on privatised debt. I want students to be able to earn and learn, or to choose positively to apply for a job with training in a thriving economy. The kind of future we need for Sheffield to be the engine room of the UK, the industrial heart of the promised northern powerhouse. And it is needed in other regions too.

There is no greater waste than lost potential in young people. We owe it to our students and apprentices, and to ourselves and the future prosperity of our nation, to try to be part of building something better.

8 Lessons from abroad: the need for employee involvement, regulation and education for broad occupational profiles – the case of construction

Linda Clarke and Christopher Winch

It is a commonplace of political rhetoric for at least three decades from all parties that Britain needs ‘world-class skills’ and that more should be done to provide them. The odd thing though is that decline in provision seems to come in inverse proportion to the passion of the ‘skills’ rhetoric. The example below of the construction sector is an extreme but not untypical one of what has been happening to the vocational education and training (VET) system.

The latest figures for first-year construction trainee entrants into further education (FE) colleges provide an indication of this reality and a shocking indictment of the British VET system. This sector was once, next to engineering, one of the key industries in which apprenticeship flourished, underpinned by a statutory levy-grant mechanism and regulation through the Construction Industry Training Board (CITB). In 2005–06, however, of the 38,447 first-year FE construction ‘craft’ trainees, just over half were involved in work-based training of some sort and the remainder were on full- or part-time courses. Only 10,308 were following an apprenticeship programme, mainly at Scottish/ National Vocational Qualification (S/NVQ) level 2, with higher proportions to be found in the north of the country than the south (CITB 2006). Though these

figures only refer to those FE colleges responding to the survey, they indicate a far lower ratio of overall trainees to operatives than found in, for example, Germany or Austria, where there are 40 apprentices per 1,000 employed, compared with only about 11 in England (Steedman 2010).

Ten years later, and despite all the efforts by government to promote apprenticeships, the number of first-year FE construction trainee entrants in Britain recorded in this annual survey had fallen to a historical low in 2015, with 11,586 to be found training in the same occupations, only 35% of whom were undertaking some kind of work-based training. About 3,000 were following an apprenticeship programme, still mainly at level 2. In the past two years alone, trainees in the wood trades have fallen by 30%, from 6,725 to 4,536, and in bricklaying by 40%, from 3,982 to 2,364 (CITB 2015). To compensate, employers in Britain have increasingly come to rely on recruiting workers trained in other countries, so ‘poaching’ from VET systems elsewhere, an option that, given the recent referendum result, may no longer be viable to the same extent. How can we begin to explain this calamitous decline?

The most immediate challenge confronting work-related VET all over Europe is the changing

nature of the labour market. For the construction industry this has been especially pronounced, with extensive subcontracting, significant use of agency labour, the spread of what is known as ‘bogus’ self-employment, together with precarious and short-term employment, and widespread use of migrant labour (European Institute of Construction Labour Research 2016). Nowhere are these developments more apparent than in the British construction sector, which employed nearly 2 million people in 2014, of whom almost half (924,000) were classified as self-employed, coming under the Construction Industry Scheme, which represents a special tax status or employment subsidy for those who are ‘self’ rather than ‘directly’ employed (UCATT 2015, Seely 2015). Added to this, 91% of the 251,647 firms in the industry in 2014 employed fewer than 13 employees and over 50% fewer than 3 employees (ONS 2015).

Such a labour market does not provide the training infrastructure required to support young people into work, especially given the considerable health and safety risks on construction sites. At the same time, 36% of employers in a 2013 survey of 809 construction firms reported hard-to-fill vacancies, while only 14% offered apprenticeships, symbolising what might be regarded as employer

disengagement in VET (CITB 2014). Despite this disengagement, an increasingly highly qualified workforce is required in practically every area of construction activity, even more so now given the abstract competences and knowledge demands of low-energy construction which require each and every construction worker to be thermally literate. How can this shortfall be addressed?

Changes in the labour market inevitably imply changes in the nature of VET. This essay looks at other countries to identify which aspects have most contributed to maintaining a training infrastructure. We focus specifically on the construction sector because it is both a classic apprenticeship sector and an industry with similar importance and a similar range of occupations in different countries.

What is apprenticeship? UK and elsewhere

Understanding what is going on in British VET is a bit like entering an Alice in Wonderland world where nothing is quite what it seems. Apprenticeship is a good example. The term ‘apprentice’, with its feel-good connotations of tradition, intergenerational stability and craftsmanship, has tempted politicians seeking to boost their credentials in expanding opportunities to young people to badge all kinds of qualifications and training programmes with the ‘apprenticeship’ label.

Thus in England apprenticeships can be at a low level (NVQ 2 rather than 3 or above), short (as little as one year) and can also be nothing more than the retraining of existing employees, as indicated by the considerable growth in so-called ‘apprenticeships’ for those aged 25 and above. Unlike apprenticeships found in most of northern Europe, apprenticeship

qualifications tend to be narrow in their scope of job activities, to cover a range of jobs rather than being confined to negotiated and recognised occupations, and to be concerned almost exclusively with ‘training’ rather than any broader educational objectives. In the case of NVQ level 2 apprenticeships (the majority in England), any technical theory relating to the particular framework and occupational activity is kept to a minimum and the focus is on immediate workplace skills rather than on the knowledge, skills and competences needed to develop long-lasting occupational capacity (Clarke et al 2013).

The first and most obvious difference between a construction apprenticeship in the UK and that in many other European countries lies in how it is defined. Indeed, ‘apprenticeship’ in Germany is something of a misnomer, as the VET system that developed in the 1970s and is still in place today explicitly distanced itself from ‘apprenticeship’ (*Lehre*), with the ‘apprentice’ (*Lehrling*) becoming instead a ‘trainee’ (*Azubildender*). An ‘apprenticeship’ in the German construction industry lasts for three years and is the equivalent of NVQ level 3 or above. It is carefully structured, usually in 26-week blocks, with half the year in the workplace, for the trainee to learn under productive and market conditions, and the remainder divided between the college (*Berufsschule*), concentrated on classroom education, and a training centre concerned with innovation and simulation in workshops. The system is known as *Stufenausbildung*, whereby the 12 occupations into which the construction industry is divided are covered by all trainees in a common first year, followed by gradual specialisation in the

second year into either ‘building’, ‘finishing’ or ‘civil engineering’ and only specialising into a specific occupation such as bricklaying or dry assembly in the third year.

The system in Denmark, which succeeds in having an even higher ratio of apprentices to employees (one to four), is similarly structured, though longer at three years eight months. As in Germany, it finishes with a recognised qualification, which has a high labour market currency in the sense that those employed are expected to have acquired this as a prerequisite. The goal in both these countries is to develop the knowledge, know-how and competences of individuals through a mandatory curriculum in a particular occupation so as to equip them for a long-term future working life. The underlying pedagogical principle is that trainees learn how to apply theoretical knowledge and to manage projects on their own.

These examples highlight a key aspect of apprenticeship in these countries: the concern with education and simulated learning, and the focus on independence in learning and action. Indeed, it is no accident that in most developed continental countries VET and apprenticeship come under the education system. In contrast, the short duration of apprenticeships in England, combined with minimal requirements for off-the-job training, translates into much weaker educational content. For construction occupations, the off-the-job element may be on the basis of day release. This has minimal educational content compared with the well-regarded Standard Scheme of Training of the 1970s, which – in line with the continental model – was for a minimum of three years and based on block release, with 13

‘Another key difference between the system in Britain and its counterpart in many other European countries is the nature of regulation.’

weeks in college and off-site workshops, and then 13 weeks on site, in rotation. Nowadays, however, apprenticeship in Britain is labour market-, rather than education-, focused. It comes under the Department for Business, Innovation and Skills, and aims to impart ‘skills’ to meet the short-term demands of employers, generally on the pedagogic principle of ‘learning by doing’ based on the generalisation of different experiences (Clarke and Winch 2004). As a result, the role of the FE colleges, responsible for the educational component, tends to be remarkably underestimated and underfunded.

It is salutary to remind ourselves that for about 40 years after the Second World War everyone on a VET programme in England and Wales was engaged in broader educational objectives such as personal and civic development, as well as acquiring the knowledge and know-how to do the job. Admittedly this was sometimes not as well carried through as it might have been and the absence of an assessed element on many of these course components compromised their credibility with younger learners. But instead of building on and improving what existed, the focus of VET qualifications has been deliberately narrowed. This stands in stark contrast to the aim of VET in countries such as Germany and France to develop individuals, workers and citizens through their VET programmes.

Different models of VET - regulation

Another key difference between the system in Britain and its counterpart in many other European countries is the nature of regulation. While the British system is doggedly employer-based, the systems elsewhere – whether in

Scandinavia, France, Germany or the Netherlands – are based on the state and the social partners (trade unions and employer representatives). The trade unions participate in decision-making, including in negotiations concerning the development of occupational qualifications and changes to them, in the workplace through the works councils, and in Germany even in the examination boards of the Chambers (Clarke and Herrmann 2004). There are clear institutional links between the education systems and industry, and between the vocational colleges and the labour market. And qualification levels are reflected in collectively agreed wage rates, so that workers have a defined and recognised status in society. This is why the currency of occupational qualifications in the labour market is high in these countries: many employers recruit directly from the colleges and it is increasingly difficult to work on a construction site without a recognised occupational qualification.

In contrast, in the British employer-based system, short-term interests predominate. There is no built-in involvement of the trade unions, or the FE colleges, though this was originally envisaged with the post-war Industrial Training Boards, which have only survived today in the form of the CITB and the Engineering Construction Industry Training Board (ECITB). In all other industries the ITBs became voluntary bodies in the 1970s, and in the 1980s the CITB and ECITB became employer-led rather than bipartite, with minimal union involvement (Brockmann et al 2010a).

Employee involvement is critical to the ensuring the long-term interests of the workforce for a VET system that provides

recognised occupational qualifications, with labour market currency over a working life and sufficient permeability to allow career progression to higher-level qualifications. In countries such as Belgium, France and Germany, employee representation is ensured through the works councils, which exist in most firms. In Germany, for instance, these have a remit to ensure that the apprentice programme is adhered to, that trainees' suggestions are taken up in negotiations, and that trainee representatives are elected, as well as suggesting improvements for the benefit of the firm. This helps to provide a training infrastructure in the workplace, even in a situation of declining trade union density and employer membership in their respective associations. The overall employer density rate in Germany, based on the share of employees working in establishments affiliated to an employers' association, is now under 60%, but employees are represented through works councils in over 80% of large firms over 250 employees, though to a far lesser extent in smaller firms. In comparison, employer density is just over 30% in the UK, and employees are represented in some way in only 60% of large firms and in under 20% of all firms (EC 2015, p216, Chart 5). The weakening of employer and trade union representation over the past decade in both Britain and Germany is therefore in the German case compensated by a robust regulatory framework and a clear system of employee representation in the workplace in the form of works councils.

Nevertheless, in the construction sector throughout Europe, weak employee representation has contributed to a decline in work-based VET provision. In Germany, for instance, the number of

bricklayer apprentices fell from 36,010 in 1999 to 14,391 in 2007 (Brockmann et al 2010b), although the recent influx of refugees has given rise to an increase in the number of construction trainees. Another factor contributing to a decline is that many large employers no longer employ operatives and smaller firms and subcontractors may not have the means, the finance, the incentive, the personnel or the time to train. For the British construction industry, where these tendencies are especially accentuated, this means that long gone are the days when benevolent employers provided training through apprenticeships, apart from some exemplary schemes in the public sector and on large projects, such as the Olympics and Heathrow Terminal 5. In addition, a class barrier has been erected as the majority of construction training (over 80%) is focused at level 2. This has made it almost impossible to progress and develop a career along the traditional path from skilled operative, to trades foreman, general foreman, site agent, project and contracts manager.

Occupational capacity versus trades

The overriding prevalence of short-term employer interests and adherence to 'skills training' rather than 'vocational education' in the British case is reflected in the nature of qualifications. The qualifications for traditional 'trades' in Britain have become narrower and narrower over time. There is not the clear process of negotiation found in Belgium, the Netherlands or Germany between employers, employees and the state educational authorities to define the scope of different occupational profiles. As a result, the scope of activities covered is extremely restricted in comparison.

For bricklaying trainees today, for instance, it is largely confined to the 'skills' of laying bricks and blocks.

The VET systems in most European countries encompass far more competence and knowledge elements. A bricklayer in Denmark covers many aspects not in the core curriculum in Britain, including: in terms of know-how or practical skills, concreting, plastering, cladding, flooring and insulation; in terms of non-manual competences, communicating, dealing with waste, quality control, ordering and assessing materials; and, in terms of knowledge, a foreign language, sciences, technical drawing, citizenship, labour law, materials and environmental protection. As in Belgium, the Netherlands, Germany, Austria and other Scandinavian countries, the Danish construction VET system is comprehensive, encompassing broadly defined occupations that embrace all activities in the industry, including groundworks, concreting, drylining and machine operation. In Britain, however, a major weakness is that the vast majority of construction trainees are still to be found in the traditional trades of carpentry and joinery, bricklaying, painting and decorating, plastering, heating and ventilating, plumbing and electrical work, even though these employ less than half the construction workforce. The remaining areas are relatively 'no-go' areas for the purpose of formal, regulated training.

Conclusions

From this assessment of VET in other European countries, the key features that appear fundamental are: the educational component and simulated learning; a comprehensive regulatory framework; employee

involvement and representation; and broad-based occupational profiles. However, one particular aspect seems crucial for the future development of a qualified workforce: VET as the link between education and the labour market is shifting away from the labour market side, based on employment in a firm, as this becomes more and more fragmented. As a result, 'learning by doing' – largely characteristic of traditional apprenticeship – is no longer an option. The workplace is becoming more peripheral as a place for VET. Instead, the college classroom and simulation in workshops – or, in the case of construction, special trainee sites – are indispensable given the increasing need for higher-level qualifications. Any VET system also has to be in tune with the globalisation of the labour market and education, and thus to be transnationally valid, including across Europe.

Successive British governments and, with some notable exceptions, British employers and trade unions have failed to address this. Programmes that express a spurious pragmatism based on 'learning by doing' and 'workplace credibility' persist, despite the dangers of simply reproducing yesterday's skills and not taking on board the rapid changes in activity that affect most economic sectors. To take just one example, to respond to the technologies of near-zero-energy construction depends upon a more broadly educated, thermally-literate, workforce with powers of independent action and judgement. Not only is the construction VET system ill-equipped to develop such a workforce, but the need to do so is not enthusiastically embraced by either industry or government. The Government's introduction of an apprenticeship levy in 2017

on firms with a payroll of more than £3 million may do little to change the situation, especially for the construction sector, where a levy-grant system already exists, covering all firms with a payroll of over £80,000. There is a real danger that firms elsewhere may simply cut their training budgets to compensate for the cost of the levy if they do not see the need to increase investment in the development of their workforce (Pickard and O'Connor 2016, Keep and James Relly, this volume). A major policy transformation is therefore needed to create a VET system that is fit for the future.

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Concluding thoughts and recommendations

Tess Lanning

The Government's apprenticeship reforms offer a new opportunity to establish an effective vocational training system. The introduction of a minimum duration of a year is an important step towards safeguarding quality, and the levy will provide a large injection of cash. Spending on apprenticeships by the end of the parliament is projected to be double in cash terms what it was in 2010–11. This will be the highest investment in real terms ever made into apprenticeships (Delebarre 2015).

However, the use of apprenticeships to meet the training needs of low-paid employees undermines their role as a structured route into skilled work for those entering the labour market for the first time. Under current plans, the duration, amount and quality of training involved in an apprenticeship vary widely. The risk voiced by several contributors to this collection is that pressure to deliver on numbers will lead instead to a further dilution of the concept of apprenticeships in the years to come. The decision to enable small groups of employers to design their own standards through the Trailblazer programme risks exacerbating the proliferation of overlapping, narrow courses that are not necessarily recognised or valued by other firms or sectors.¹⁷

This short concluding essay sets out some recommendations to

mitigate this risk. Drawing on the ideas advanced by the contributors to this collection, it explores the goals and long-term reforms required to build a training system that better meets the needs of employers and employees.

What to aim for

Apprenticeships are in theory an important tool to increase the skill level in the British economy. But there is a need to distinguish basic workplace training from more stringent apprenticeships that deliver clear benefits for employers and employees. Shorter vocational courses to support retraining or progression would better serve the needs of older and existing employees than apprenticeships.¹⁸ At the very least, apprenticeship standards for young people should differ from those of adults, with requirements for much broader educational content and structured work experience. A shift away from competence-based qualifications to a programme of defined training and assessment criteria, as advocated by Alan Smithers (and several others) in this volume, would ensure that more apprenticeships offer a distinct programme of learning, rather than simply a 'job with training'. The goal should be to move over time to a system more comparable with those in other European countries, where apprenticeships lead to level 3 qualifications that relate to a clear occupational pathway.

Why the current reforms are unlikely to deliver this

The main obstacle to building more high-quality apprenticeships for young people is the UK's relatively low-skilled economy. The level and nature of the skills employers require depends on their business strategy, the needs of their production regime, and the way they choose to organise work (Vivian et al 2016). In the UK relatively few employers have a business model that relies on a steady stream of skilled employees for success. As Ewart Keep and Susan James Relly point out, from the perspective of many employers, there is no skills 'crisis', and thus no particular need to engage with efforts to create a serious initial vocational training system.

The commitment to a flexible labour market has left British policy-makers with limited scope to influence company decisions about whether and how to train. The long history of voluntarism will be broken by the introduction of more active levers to increase apprenticeships – the levy, the use of procurement, and requirements on companies seeking to recruit skilled workers from abroad to offer apprenticeships at home. However, the continued focus on a demand-led market to shape training supply limits the effectiveness of these interventions to improve the quality or quantity

¹⁷ The final number of Trailblazer standards is projected to reach up to 1,700. The official evaluation noted that these are likely to overlap, increasing confusion and complexity in the system, and raised concerns about how these would be updated or provide continuity in the long term (Newton et al 2015).

¹⁸ This is particularly true for the majority of adult apprentices that already hold comparable qualifications. In 2012–13, over half (53%) of adult apprentices studying at level 3 and more than three-quarters (79%) of those studying at level 2 already held a qualification at the same level (Department for Business, Innovation and Skills 2014).

of apprenticeships. In a loose regulatory context, the most likely outcome of the new voucher system is small adjustments by levy-payers to cover the costs of existing training that would have taken place with or without state subsidy, and limited take-up among non-levy-payers. Faced with the difficult task of selling training to employers that do not need it, providers will continue to find it easiest to accredit existing employees already competent in their job roles.

The impact of Britain's departure from the European Union on this situation could take years to unfold, and depends in particular on the settlements reached on access to the single market and free movement of labour. During the fierce debates prior to the referendum, some argued that new immigration controls could benefit young people by forcing employers reliant on migrant labour to grow the talent pipeline in the UK, while the 'remain' camp argued that breaking from our biggest export market would lead to a drop in apprenticeships (for example Labour Party 2016). In the days after the referendum, speculation soon started about the implications of a potential recession for employer and government investment in skills. What is clear is the need for a more active strategy to create more meaningful work across all regions and sectors of the country, particularly for those who feel the economic gains of recent decades have bypassed their communities.

The system we need

The challenge is to build an institutional framework that supports collective commitment to skills and apprenticeships. The UK's market-led approach contrasts with the co-ordinated systems in countries with effective vocational

training systems. In the German-speaking and Scandinavian countries, the state provides a much stronger regulatory framework for apprenticeships, including the duration, level and amount of on- and off-the-job training. The system is then governed by industry-led institutions that set and regularly update initial and continuing training requirements to reflect and shape changing occupational and industry standards. Rather than simply being 'led' by existing skills needs, they seek to raise standards, ensure skills are effectively utilised by employers, and regulate the quality of both college- and work-based vocational training.

The UK, and England in particular, lacks comparable dedicated institutions with the remit, power and resources required to increase the number of high-quality apprenticeships. A first step would be to move the Government's Trailblazer initiative onto a more sustainable footing, and to give them the power to set the qualification, training and assessment standards for their sectors on an ongoing basis. There should be one Trailblazer for each broad occupation or sector, tasked with developing a much smaller range of broader qualifications that seek to enable progression and mobility in the economy, rather than access to a particular job role. In July 2016, the Government set out plans for the new Institute for Apprenticeships to develop a common framework of 15 routes across college- and work-based education, with just one approved technical qualification for each occupational cluster (Department for Business, Innovation and Skills and Department for Education 2016). This is a welcome step forward, although it is not yet clear how the mushrooming Trailblazer standards will be reconciled with

the approach. As Tom Wilson argues, involvement of the social partners would ensure a better balance in the system between the different needs of employers across a sector, employees and the state – rather than the specific needs of just one or a small group of employers.

The same Trailblazer bodies should be tasked with developing a plan to raise standards, innovation and skills utilisation, acting as latter-day guilds for each sector. The necessary resources could be provided if the levy funds were spent sectorally, as suggested by Douglas McCormick. There is also a case for turning the levy into a more general skills levy to allow a focus on training other than apprenticeships where appropriate. In some sectors upskilling the existing workforce may be a more pressing challenge than the need to attract younger workers, for example, while in low-paying sectors it would make sense to invest in interventions that seek to raise levels of training, pay and progression, rather than creating large numbers of apprenticeships for jobs that do not require substantive vocational training. In return for this flexibility, industry bodies should be required to develop and deliver a strategy to build a realistic number of high-quality training routes into work, and meaningful opportunities to learn and progress thereafter.

Building local capacity

At local level, specialist training providers that champion and support employers to build high-quality training programmes are a vital feature of successful vocational education systems. As Linda Clarke and Christopher Winch point out, the role of good college-based vocational education is particularly important in the context of falling training

investment by employers. Evolution of the goal to deliver 3 million apprenticeships into a broader ambition to increase high-quality dual-track vocational training that can be delivered in work- or college-based settings would make it more achievable. Increasing diversity in higher as well as further education, with more specialist vocational degrees and applied content across all disciplines, would improve graduate employability and capitalise on the dominance of the university route in the British education system.

The strongest models in the UK and abroad build lasting partnerships with local employers and work to increase their capacity to create effective training pathways for young people. Alison Fuller and Lorna Unwin's definition of 'expansive' workplace environments provides a powerful framework to support this process. It is a mistake to base the discussion between training providers and employers on the specific needs of existing job roles. Instead, Fuller and Unwin argue, providers should make the case for a more ambitious training plan based on understanding of the long-term pressures facing the business and a strategy to raise standards.

Close partnerships with industry can ensure more relevant content, work experience and a learning environment that replicates the realities and expectations of the world of work. Some models combine training provision with business support and research partnerships to drive innovation and demand for skills among employers – along the lines outlined by Sir Keith Burnett in his essay on Sheffield University's Advanced Manufacturing Research Centre. This approach need not

be restricted to the traditional apprenticeship industries or other high-tech sectors usually associated with science and innovation programmes. In the Scandinavian countries, universities have also worked to support higher standards in low-skilled female-dominated industries such as care and food services (Keep and Payne 2002).

The current move towards greater devolution of skills funding seeks to improve co-ordination at local level. Areas such as London and Manchester at the forefront of these reforms have identified more specialist vocational training as a key aim. As Andy Westwood argues, the devolved administrations in England could fill an important gap by brokering effective relationships between colleges, universities and employers in a region and encouraging all parties to adopt best practice. To avoid gaps and duplication, regional plans should be informed and shaped by the long-term needs of different industries, supported by more representative local governance structures and formal linkages with national sector bodies. Over time local institutions could play a more formal role regulating the quality of training, conducting assessment procedures, and helping employers and colleges to adapt the curricula of training programmes set nationally to local context – as they do in other northern European countries.

Conclusion

The priority given to vocational training by British policy-makers in recent years is welcome and long overdue. But the desired step-change in the number of high-quality apprenticeships requires a shift away from a market-led system focused on the narrow needs of individual

employers towards a more co-ordinated approach that meets the broader needs of learners and the economy. It requires efforts to increase demand for skills among employers rather than simply being 'led' by existing skills needs. At the same time, the quality of training must be safeguarded by stronger minimum standards. This shift should be achieved through evolutionary reforms, and avoid another wave of institutional upheaval. Most importantly, it should be driven by a core goal to improve mobility and progression for the workforce, as part of an ambitious vision to build a more highly skilled and more inclusive economy where people are supported to make the transition from education into work and to lead fulfilling working lives.

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CIPD

Chartered Institute of Personnel and Development
151 The Broadway London SW19 1JQ United Kingdom
T +44 (0)20 8612 6200 **F** +44 (0)20 8612 6201
E cipd@cipd.co.uk **W** cipd.co.uk

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