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Scrutiny Panel B

Thursday, 25th April, 2013
at 4.00 pm

PLEASE NOTE TIME OF MEETING

Conference Room 3 - Civic Centre

This meeting is open to the public

Members

Councillor Dr Paffey (Chair)
Councillor Furnell
Councillor Kaur
Councillor Shields
Councillor Baillie
Councillor Norris
Councillor Turner

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PUBLIC INFORMATION

Role of Scrutiny Panel A

The Overview and Scrutiny Management Committee have instructed Scrutiny Panel B to undertake an inquiry into Apprenticeships.

Purpose:

To examine the Southampton Apprenticeship Action Plan and consider how the number of high quality Apprenticeships in Southampton can be increased.

Objectives:

1. To examine the work already delivered by the Council and its partners to generate Apprenticeship growth in the City
2. To examine the impact of Apprenticeships on the City economy
3. To examine ways to significantly increase the numbers of Apprenticeships in Southampton, particularly for 16-18 year olds, to figures above regional and national averages

Southampton City Council's Six Priorities

- Providing good value, high quality services
- Getting the City working
- Investing in education and training
- Keeping people safe
- Keeping the City clean and green
- Looking after people

Public Representations

At the discretion of the Chair, members of the public may address the meeting about any report on the agenda for the meeting in which they have a relevant interest.

Smoking policy – the Council operates a no-smoking policy in all civic buildings.

Mobile Telephones – please turn off your mobile telephone whilst in the meeting.

Fire Procedure – in the event of a fire or other emergency a continuous alarm will sound and you will be advised by Council officers what action to take.

Access – access is available for the disabled. Please contact the Democratic Support Officer who will help to make any necessary arrangements.

Dates of Meetings:

2013
25 April
23 May
27 June
25 July
22 August
26 September

CONDUCT OF MEETING

TERMS OF REFERENCE

The general role and terms of reference of the Overview and Scrutiny Management Committee, together with those for all Scrutiny Panels, are set out in Part 2 (Article 6) of the Council's Constitution, and their particular roles are set out in Part 4 (Overview and Scrutiny Procedure Rules – paragraph 5) of the Constitution.

BUSINESS TO BE DISCUSSED

Only those items listed on the attached agenda may be considered at this meeting.

RULES OF PROCEDURE

The meeting is governed by the Council Procedure Rules and the Overview and Scrutiny Procedure Rules as set out in Part 4 of the Constitution.

QUORUM

The minimum number of appointed Members required to be in attendance to hold the meeting is 3.

DISCLOSURE OF INTEREST

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "Disclosable Personal Interest" or "Other Interest" they may have in relation to matters for consideration on this Agenda.

DISCLOSABLE PERSONAL INTERESTS

A Member must regard himself or herself as having a Disclosable Pecuniary Interest in any matter that they or their spouse, partner, a person they are living with as husband or wife, or a person with whom they are living as if they were a civil partner in relation to:

(i) Any employment, office, trade, profession or vocation carried on for profit or gain.

(ii) Sponsorship:

Any payment or provision of any other financial benefit (other than from Southampton City Council) made or provided within the relevant period in respect of any expense incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

(iii) Any contract which is made between you / your spouse etc (or a body in which the you / your spouse etc has a beneficial interest) and Southampton City Council under which goods or services are to be provided or works are to be executed, and which has not been fully discharged.

(iv) Any beneficial interest in land which is within the area of Southampton.

(v) Any license (held alone or jointly with others) to occupy land in the area of Southampton for a month or longer.

(vi) Any tenancy where (to your knowledge) the landlord is Southampton City Council and the tenant is a body in which you / your spouse etc has a beneficial interests.

(vii) Any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of Southampton, and either:

a) the total nominal value of the securities exceeds £25,000 or one hundredth of

- the total issued share capital of that body, or
- b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you / your spouse etc has a beneficial interest that exceeds one hundredth of the total issued share capital of that class.

Other Interests

A Member must regard himself or herself as having a, 'Other Interest' in any membership of, or occupation of a position of general control or management in:

Any body to which they have been appointed or nominated by Southampton City Council

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

Any body whose principal purpose includes the influence of public opinion or policy

Principles of Decision Making

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

AGENDA

Agendas and papers are now available via the City Council's website

1 APOLOGIES AND CHANGES IN PANEL MEMBERSHIP (IF ANY)

To note any changes in membership of the Panel made in accordance with Council Procedure Rule 4.3.

2 ELECTION OF CHAIR AND VICE-CHAIR

To appoint a Vice-Chair to the Scrutiny Panel for the duration of the Inquiry.

3 DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS

In accordance with the Localism Act 2011, and the Council's Code of Conduct, Members to disclose any personal or pecuniary interests in any matter included on the agenda for this meeting.

NOTE: Members are reminded that, where applicable, they must complete the appropriate form recording details of any such interests and hand it to the Democratic Support Officer.

4 DECLARATIONS OF SCRUTINY INTEREST

Members are invited to declare any prior participation in any decision taken by a Committee, Sub-Committee, or Panel of the Council on the agenda and being scrutinised at this meeting.

5 DECLARATION OF PARTY POLITICAL WHIP

Members are invited to declare the application of any party political whip on any matter on the agenda and being scrutinised at this meeting.

6 STATEMENT FROM THE CHAIR

7 APPRENTICESHIPS INQUIRY; MEETING 1; SETTING THE SCENE

Report of the Head of Communities, Change and Partnership providing details for the first meeting of the Inquiry examining apprenticeships in the city and outlining the national policy and issues for apprenticeships locally, attached.

Wednesday, 17 April 2013

HEAD OF LEGAL, HR AND DEMOCRATIC
SERVICES

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Agenda Item 7

DECISION-MAKER:	SCRUTINY PANEL B
SUBJECT:	APPRENTICESHIPS INQUIRY MEETING 1: SETTING THE SCENE
DATE OF DECISION:	25 APRIL 2013
REPORT OF:	HEAD OF COMMUNITIES, CHANGE AND PARTNERSHIPS
STATEMENT OF CONFIDENTIALITY	
None	

BRIEF SUMMARY

This report provides details for the first meeting of the Inquiry examining apprenticeships in the city. It outlines the national policy and issues for apprenticeships locally.

The Cabinet Member for Communities will outline the administration's vision and approach to apprenticeships. There will also be four presentations, followed by questions from the Panel. The presentations will highlight:

- National policy and the current apprenticeship system (Ian Smith, National Apprenticeship Service)
- Introduction to council strategies and plans and other national drivers (Denise Edghill, Head of Skills, Regeneration and Partnerships)
- Southampton, current performance, trends and best practice (Andy Tickner, Skills Manager)
- Apprenticeships in the People Plan Council's People Plan (Claire Wilkinson, Human Resources Business Partner)

RECOMMENDATIONS:

- (i) The Panel is recommended to consider the information provided by the Cabinet Member for Resources and presentations and use this, alongside the appendices, as evidence in the inquiry.

REASONS FOR REPORT RECOMMENDATIONS

1. To enable the Panel to analyse the evidence in order to formulate findings and recommendations at the end of the inquiry process.

DETAIL (Including consultation carried out)

2. The final Terms of Reference and Inquiry Plan were approved by the Overview and Scrutiny Management Committee on 16th August 2012. Since they were approved, the focus for apprenticeships in the city has shifted to the need to develop a new Southampton Apprenticeship Action Plan. The draft Inquiry timetable is attached at Appendix 1.
3. The purpose of the Inquiry is to:
 - Examine existing local and national issues relating to Apprenticeship recruitment
 - Consider how the number of Apprenticeships in Southampton can be increased.

- Inform a new Southampton Apprenticeship Action Plan.
4. The first meeting of the Inquiry therefore aims to help the Panel to understand the key national drivers and local issues for apprenticeships in the city that will influence the new Southampton Apprenticeship Action Plan.
 5. Apprenticeships are vital for equipping local people with the skills they need to prosper, and to provide Southampton with the skilled workforce it needs to support economic growth and compete regionally and nationally.
 6. The Cabinet Member for Communities will make a brief statement outlining the administration's vision and approach for responding to apprenticeships.
 7. The presentation from the National Apprenticeship Service (NAS) will be given by Ian Smith, Employer Account Manager for the South Central region. He will outline the role of NAS, the Government's latest apprenticeship policy and how the current apprenticeship system works. He will also update on the Richard Review of Apprenticeships.
 8. Denise Edghill, Head of Skills, Regeneration and Partnerships, is the lead officer covering apprenticeships. She will outline council strategies and plans that impact on apprenticeship access for individuals, and growth for local business. She will also update on how Raising the Participation Age (RPA) legislation will impact on apprenticeships.
 9. Andy Tickner, Skills Manager, is responsible for the council's apprenticeship programmes and partnership work with NAS. He will give evidence to the Panel on the impact of Employment and Skills Plans, local support arrangements and apprenticeship campaigns
 10. The final presentation outlining the role of apprenticeships in the Council's People Plan will be given by Claire Wilkinson, Human Resources Business Partner.
 11. The Panel is invited to have a discussion on the national and local drivers and trends for apprenticeships in the city and their potential impact locally with the Cabinet Member for Communities and those giving evidence.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

12. None

RESOURCE IMPLICATIONS

Capital/Revenue

13. Not applicable

Property/Other

14. Not applicable

LEGAL IMPLICATIONS

Statutory Power to undertake the proposals in the report:

15. The duty to undertake overview and scrutiny is set out in Section 21 of the Local Government Act 2000 and the Local Government and Public Involvement in Health Act 2007.

Other Legal Implications:

16. None

POLICY FRAMEWORK IMPLICATIONS

17. None

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SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	Apprenticeships Inquiry Terms of Reference
2.	Apprenticeships Policy in England (House of Commons Library)
3.	The Future of Apprenticeships in England: Next Steps from the Richard Review
4.	NAS Southampton Final Report 2011/12
5.	Southampton Apprenticeship Campaign Briefing Paper

Documents In Members' Rooms

1.	None
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Integrated Impact Assessment

Do the implications/subject/recommendations in the report require an Integrated Impact Assessment to be carried out.	No
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Other Background Documents

Title of Background Paper(s) Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

N/A

Integrated Impact Assessment and Other Background documents available for inspection at:

WARDS/COMMUNITIES AFFECTED:	All
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Apprenticeships Review Terms of Reference and Inquiry Plan

1. Scrutiny Panel:

Scrutiny Panel B

2. Membership:

- a. Councillor Paffey (Chair)
- b. Councillor Kaur
- c. Councillor Furnell
- d. Councillor Shields
- e. Councillor Baillie
- f. Councillor Norris
- g. Councillor Turner

3. Purpose:

To examine existing local, regional and national issues relating to Apprenticeship recruitment and consider how the number of Apprenticeships in Southampton can be increased.

Outcomes from the review will inform a new Southampton Apprenticeship Action Plan.

4. Background:

- a. Apprenticeships are vital for equipping local people with the skills they need to prosper, and to provide Southampton with the skilled workforce it needs to support economic growth and compete regionally and nationally.
- b. The National Apprenticeship Service (NAS) was created in April 2009 and has end-to-end responsibility for apprenticeships in England. The NAS is responsible for promoting apprenticeships to employers and learners, supporting employers through the process of recruiting and training an apprentice, and maintaining the national online apprenticeship vacancies system which allows employers to post vacancies and aspiring apprentices to search and apply for them.
- c. Southampton has seen an annual increase in the number of residents starting Apprenticeships. NAS data for academic year 2011/12 shows 1,493 residents, started an apprenticeship across all ages, 13% higher than the previous year. However, this is below regional and national growth rates, at 20% and 17% respectively.
- d. The number of young people aged 16-18 starting Apprenticeships is not consistent with the overall growth figures. NAS data for academic year 2011/12 shows 354 young people started an apprenticeship, 4% lower than the previous year. Regional and national growth rates for 16-18 year olds stand at 4% and 2% respectively.
- e. The Government is increasing the age to which all young people must continue in education or training, requiring them to continue until the end of the academic year in which they turn 17 from 2013, and until their 18th birthday from 2015. With effect from September 2013, Raising of the Participation Age (RPA) will significantly increase the demand for Apprenticeship opportunities from young people in Southampton.
- f. The Council works in partnership with NAS to ensure local residents and employers are given the best possible Information, Advice and Guidance (IAG) and access to Apprenticeships, and delivers local initiatives to support apprenticeship growth. The

Council will be launching a new Southampton Apprenticeship Action Plan in September 2013.

5. Objectives:

- a. To examine the work already delivered by the Council and its partners to support apprenticeship growth in the city.
- b. To examine the impact of Apprenticeships on the city economy.
- c. To examine ways to significantly increase the numbers of Apprenticeships in Southampton, particularly for 16-18 year olds, to exceed regional and national averages.

6. Methodology:

- a. Outline of current national policy and local activity:
 - Apprenticeship national policy, frameworks and initiatives
 - Government reviews
 - Local performance and trends
- b. Engage partners and individuals:
 - Representation and feedback from key partners and apprenticeship providers
 - Representation from employers
 - Representation from apprentices
- c. Identify and consider best practice and options for future delivery:
 - National best practice examples
 - Local success stories
 - Links to council strategies and plans
 - Outline of current resourcing and budgets
 - Future options for delivery and resourcing

7. Proposed Timetable:

Six meetings April - September 2013.

8. Review Programme:

To be developed based around the following outline Inquiry Plan:

Inquiry Plan*

25 April 2013

Meeting 1: Setting the Scene		
An overview of current apprenticeship policy and national and local perspectives		
Speaker	Organisation	Subject
Cllr Jacqui Rayment	Cabinet Member	The Council vision for Apprenticeships
Ian Smith	National Apprenticeship Service (NAS)	National policy and the current apprenticeship system, and update on the Richard Review
Denise Edghill	SCC Head of Skills, Regeneration and Partnerships	Links to Council strategies and plans, and impact of Raising the Participation Age (RPA) legislation
Andy Tickner	SCC Skills Manager	Current apprenticeship performance, local initiatives and best practice
Claire Wilkinson	SCC HR Business Partner	Apprenticeships in the Council People Plan
Background papers:	<ol style="list-style-type: none"> 1. Apprenticeships Policy in England (House of Commons Library) 2. The Future of Apprenticeships in England: Next Steps from the Richard Review 3. NAS Southampton Final Report 2011/12 4. Southampton Apprenticeship Campaign Briefing Paper 	

23 May 2013

Meeting 2: Employers Perspective		
To review employer experiences of apprenticeship recruitment, training and support		
Speaker	Organisation	Subject
	National Apprenticeship Service (NAS)	Local support arrangements for large employers, and small and medium-sized enterprises (SMEs)
	Barratt Homes	Working with SCC Employment and Skills Plans
	Balfour Beatty	Working as SCC partner
	University Hospital Southampton	Apprenticeship recruitment issues - large employer
	SME 1	Apprenticeship recruitment issues – small and medium-size enterprise

	Federation of Small Business (FSB)	Views from employer representative organisation
	Hampshire and IOW Chamber of Commerce	
	SCC Housing Policy and Projects	Example of SCC Apprenticeship recruitment
Background papers	1. S106 Employment and Skills Plan 2. TBC	

27 June 2013

Meeting 3: Apprenticeship Providers Perspective		
To review apprenticeship training provision and feedback from local providers		
Speaker	Organisation	Subject
	National Apprenticeship Service	Local Apprenticeship training arrangements
	Association of Learning Providers Hampshire and IOW (ALPHI)	Update from Apprenticeship provider network
	Southampton City College	Details of local Apprenticeship training provision and coverage across sectors
	Brockenhurst College	
	Eastleigh College	
	Southampton Engineering Training Association (SETA)	
Background papers	TBC	

25 July 2013

Meeting 4: Learners' Perspective		
To review experiences of individual learners, careers advice and local support organisations		
Speaker	Organisation	Subject
	National Apprenticeship Service	National and local resources for Information, Advice and Guidance (IAG)
	SCC Children's Services	Information, Advice and Guidance (IAG) for young people, and arrangements for RPA
	National Careers Service	Information, Advice and Guidance (IAG) for adults

	Solent Education Business Partnership	Issues facing apprenticeship progression by young people and adults
	Wheatsheaf Trust	
	Apprentice 1	Feedback from current Apprentices
	Apprentice 2	
	Apprentice 3	
Background papers	TBC	

27 August 2013

Meeting 5: The Way Forward for Apprenticeships		
Developing draft recommendations		
Speaker	Organisation	Subject
Scrutiny Panel Members	SCC	
Denise Edghill	SCC Head of Skills, Regeneration and Partnerships	
Andy Tickner	SCC Skills Manager	
	National Apprenticeship Service	
	SCC Human Resources	
	Union Representatives	

26 September 2013

Meeting 6: Final Report		
To approve the final report and Southampton Apprenticeship Action Plan		
Speaker	Organisation	Subject
Denise Edghill	SCC Head of Skills, Regeneration and Partnerships	
Andy Tickner	SCC Skills Manager	

*Subject to the availability of speakers

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Apprenticeships policy

Standard Note: SN/3052
Last updated: 12 September 2012
Author: Chris Rhodes
Section: Economic Policy and Statistics

This note outlines apprenticeships policy in England. Other House of Commons Library Standard Notes that may be of interest include:

- [Apprenticeships statistics](#)
- [Apprenticeships and small businesses](#)

Apprenticeships are paid jobs that incorporate on and off the job training. A successful apprentice will receive a nationally recognised qualification on completion of their contract.

Apprenticeships policy is the responsibility of the Department for Education if the apprentice is aged under 19, and the responsibility of the Department for Business, Innovation and Skills if the apprentice is aged 19 or over.

The Government pays a proportion of the training costs for apprentices, depending on their age. The apprentice's employer will normally cover any remaining training costs.

The Government intends to increase the number of apprentices and the budget for apprenticeships over this Parliament.

The Government has introduced a range of policies to encourage people to take up apprenticeships and to encourage businesses to take on more apprentices.

In the 2010/11 academic year, 457,200 people started apprenticeships, 177,510 more than in the 2009/10 academic year, a 63% increase.

This information is provided to Members of Parliament in support of their parliamentary duties and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as being up to date; the law or policies may have changed since it was last updated; and it should not be relied upon as legal or professional advice or as a substitute for it. A suitably qualified professional should be consulted if specific advice or information is required.

This information is provided subject to [our general terms and conditions](#) which are available online or may be provided on request in hard copy. Authors are available to discuss the content of this briefing with Members and their staff, but not with the general public.

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1 Overview of apprenticeship system

Skills and training are devolved policy areas. This Note deals with apprenticeships in England.

The National Apprenticeship Service (NAS) was created in April 2009 and has end-to-end responsibility for apprenticeships in England. The NAS is responsible for promoting apprenticeships to employers and learners, supporting employers through the process of recruiting and training an apprentice, and maintaining the national online apprenticeship vacancies system which allows employers to post vacancies and aspiring apprentices to search and apply for them.¹

There are over 200 different apprenticeships (known as ‘apprenticeship frameworks’) available in 13 broad sector subject areas.²

Each apprenticeship framework is made up of three elements; a National Vocational Qualification (which examines the apprentices’ work-based skills), a Technical Certificate (which examines the apprentices’ theoretical knowledge) and Key Skills (which examines the apprentices’ transferable skills, for example, numeracy and literacy).³

Apprenticeship frameworks can be studied at different qualification levels:

- *Intermediate Apprenticeships* are Level 2 qualifications, equivalent to A*-C GCSEs;
- *Advanced Apprenticeships* are Level 3 qualifications equivalent to A-Levels;
- *Higher Apprenticeships* are Level 4 qualifications, equivalent to BTEC professional diplomas and Higher National Certificates.⁴

1.1 Training costs: what the government covers

Apprenticeships for people aged under 19 are funded by the Department for Education (DfE). Apprenticeships for people aged 19 and over are funded by the Department for Business Innovation and Skills (BIS).

DfE and BIS cover a proportion of the cost of training apprentices dependent on the age of the apprentice, through the NAS. They contribute:

- 100% of the training costs if the apprentice is aged 16-18;
- 50% of the training costs if the apprentice is aged 19-24;
- Up to 50% of the training costs if the apprentice is aged over 25.⁵

If employers choose to deliver additional qualifications as part of an apprenticeship on top of those identified by the relevant Sector Skills Council,⁶ then these qualifications will be paid

¹ NAS website, [Our responsibilities](#)

² NAS website, [Types of apprenticeships](#)

³ *ibid*

⁴ Direct Gov, [Qualifications: what the different levels mean](#)

⁵ NAS website, [Training and funding](#)

⁶ Sector Skills Councils are employer-led organisations that determine the skills required within their vocational area, e.g. design apprenticeship frameworks. They are intended to involve employers in skills policy and operate on a UK-wide basis. For more information see BIS website on [Sector Skills Councils](#)

for by the employer not the government. Employers are free to fund apprenticeships themselves without any support from government.

1.2 Minimum wage and employee rights for apprentices

Apprentices aged 16-18 are entitled to the 'apprentice minimum wage' of £2.60 an hour.⁷

Apprentices aged 19 and over in the first 12 months of their apprenticeship are also entitled to the apprentice minimum wage. After the first 12 months of their apprenticeship, people aged over 19 are entitled to the National Minimum Wage.⁸ National Minimum Wage rates are age dependent and rise from £4.98 an hour for under 21 year olds to £6.08 an hour for people aged 21 and over.⁹

As apprentices are employees they are entitled to the same employment rights as other employees. This includes holiday entitlement and maternity leave.¹⁰

2 Apprenticeship forecasts and budget

The Coalition Agreement stated that:¹¹

We will seek ways to support the creation of apprenticeships, internships, work pairings, and college and workplace training places as part of our wider programme to get Britain working.

2.1 Apprenticeship starts

Over the first financial year of the current Parliament (April 2010 – March 2011), the Government's target was for 50,000 more apprenticeship starts by people aged 19 and over, compared to in the previous financial year. This means that the Government aimed for a total of 203,000 adult apprenticeship starts in the 2010/11 financial year.¹²

There were 256,000 starts by people aged 19 and over during the 2010/11 financial year, 53,000 more than the Government's target.¹³

2.2 Forecast number of apprentices

The Government has published an illustrative forecast of the number of people who will be undertaking apprenticeships over the next three academic years. Note that the table below shows the total number of people doing apprenticeships, not the number of apprenticeship starts.

⁷ Low Pay Commission, *National Minimum Wage Report 2011*

⁸ *Ibid*; Written Ministerial Statement, "National Minimum Wage", 21 Jun 2010

⁹ Direct Gov, *National Minimum Wage rates*, website

¹⁰ NAS website, *Apprentices Q&A*

¹¹ *Coalition Government Agreement*, May 2010, page 31

¹² BIS, *Statistical First Release DS/SFR12*, October 2011, pp 14.

¹³ *Ibid*

Number of apprentices by age

Academic years (1 Aug-31 July) - England

Age of apprentice	2009/10	2010/11	2011/12*	2012/13*	2013/14*
16-18	186,000	203,000	222,000	240,000	-
19+	305,000	463,000	645,000	650,000	655,000
All ages	491,000	666,000	867,000	890,000	-

Sources: Young People's Learning Agency, *Funding statement*, December 2011, pp 5
BIS, *Statistical First Release, DS/SFR13*, January 2012, pp 24
BIS, *Skills investment statement 2011-14*, December 2011, pp 6

Notes: * indicates illustrative forecasts
- these figures are not available
Rounded to nearest 1,000

The table shows the large increase in the number of adult apprenticeships that will occur over the course of this Parliament, from just over 300,000 in 2009/10 to over 650,000 in 2013/14, an 110% increase.

2.3 Budget for apprenticeships

The table below shows the current and minimum expected budget for apprenticeships.

Apprenticeships budget

£ millions - Financial years (1 Apr-31 Mar) - England

Age of apprentice	2009/10	2010/11	2011/12	2012/13*	2013/14*
16-18 (DfE)	688	780	779	833	-
19+ (BIS)	384	451	644	690	639
Total apprenticeships budget	1,072	1,231	1,423	1,523	-

Sources: SFA, *Annual report and accounts 2010/11*, July 2011, pp 68
Young People's Learning Agency, *Funding statement*, December 2011, pp 5
BIS, *Skills investment statement 2011-14*, December 2011, pp 3
BIS, *SFA funding letter from Rt. Hon. Vince Cable MP to Geoff Russell*, 22 May 2012

Notes: * Minimum expected budgets for apprenticeships
2012/13 figure includes £32 million for AGE 16-24
2013-14 figure includes £42 million available as FE loans and £13 million for AGE 16-24
Excludes money allocated to the Employer Ownership Pilot from the adult apprenticeship budget: £25 million in 2012/13 and £100 million in 2013/14
In nominal terms

The total adult skills budget will fall from £2.0 billion in 2012/13 to £1.7 billion in 2013/14. This includes the adult apprenticeship budget, which will fall from £690 million to £639 million over the same period.¹⁴

One of the reasons for the fall in the adult apprenticeships budget is that £25 million in 2012/13 and £100 million in 2013/14 has been allocated to the Employer Ownership Pilot. This is a fund totalling £250 million over two years awarded to businesses in England engaged in designing and delivering their own training solutions. It is expected that many of these solutions will involve apprenticeship-style training.¹⁵

¹⁴ BIS, *SFA funding letter from Rt. Hon. Vince Cable MP to Geoff Russell*, 22 May 2012

¹⁵ UKCES, *Employer Ownership of Skills – Pilot*, 2012

3 Apprenticeship policies announced since May 2010

A range of policies related to apprenticeships have been introduced since the government came to power. Some of these intend to encourage more people to do apprenticeships, some encourage more businesses to offer apprenticeship and some intend to raise the standard of apprenticeships. These policies are outlined below.

3.1 The Education Act 2011

The *Apprenticeships, Skills, Children and Learning Act 2009* (ASCLA) resulted in a wide range of changes covering apprenticeships, skills and education provision. ASCLA introduced a duty to provide an apprenticeship place to all qualified young people (aged 16-19) who did not have one and wanted one. This was due to commence in 2013.

The *Education Act 2011* removed this duty. Instead, a new duty will be placed on the government to fund an apprenticeship for young people who have already secured an apprenticeship place. This new “apprenticeship offer” will come into effect by 2013 and applies to England only.¹⁶

The Act also creates a new duty on the government to “make reasonable efforts to ensure employers participate in Apprenticeship training.”¹⁷

3.2 Minimum standards for apprenticeships

NAS published the *Statement on Apprenticeship Quality* in May 2012. This statement summarises the various aspects of apprenticeships which are subject to minimum standards. These are outlined below.¹⁸

In April 2012 it was announced that the minimum length for all apprenticeships will be 12 months. Some apprentices over the age of 19 may be able to complete their apprenticeship in a shorter period of time, but only if they can demonstrate prior attainment of certain relevant qualifications. In these cases, the apprenticeship must last a minimum of six months. These rules will become mandatory from August 2012.¹⁹

All apprentices must spend at least 280 hours in ‘guided learning’, during the first 12 months of their apprenticeship. 100 hours or 30% (whichever is greater) of all guided learning must be delivered off-the-job. Clear and verifiable evidence must be provided of all learning undertaken.²⁰

All apprentices must be employed for a minimum of 30 hours per week. This includes time spent away from the workplace engaged in training. If an apprentice’s personal circumstances or if the nature of employment in a given sector make it impossible to work these hours, then an absolute minimum of 16 hours a week must be worked. In these exceptional cases, the total duration of the apprenticeship will be extended accordingly.²¹

¹⁶ The *Education Act 2011*, Part 7, Section 37, [explanatory notes](#)

¹⁷ *Ibid*

¹⁸ NAS, *Statement on Apprenticeship Quality*, May 31 2012

¹⁹ BIS, *Press release: Tough standards released by Skills Minister to drive up quality*, 1 April 2012

²⁰ NAS, *Specification of Apprenticeship Standards for England*, January 2011, pp 9

²¹ SFA, *Funding rules for 2012/13*, May 2012, pp 28

All apprenticeships must offer training to Level 2 (equivalent to GCSE grade A* to C) in Functional Skills or English and Maths. This offer is only extended to apprentices who have not already achieved these or equivalent qualifications.²²

Before an apprenticeship can begin, all apprentices must sign an Apprenticeship Agreement with their employer. This is a contract which stipulates the framework which the apprentice is following and the skill, trade or occupation in which the apprentice is working. This agreement is not a legally binding contract of employment, but without it, an apprenticeship completion certificate cannot be issued.²³

The Government have also introduced a series of safeguards which are designed to strengthen the monitoring and reporting process for training providers and employers involved in delivering apprenticeships. An 'enquiry panel' has been established in the NAS to manage any poor quality providers. This panel reports directly to the relevant Minister and has the power to impose sanctions on sub-standard training providers.²⁴

The NAS have recently published the *Apprenticeship Quality Action Plan* which details how issues of quality in apprenticeships have been and are intended to be addressed in the future. This document outlines how the NAS will escalate concerns over the quality of specific apprenticeships and the way in which various relevant bodies will intervene to improve individual apprenticeships.²⁵

The document setting out minimum academic requirements that must be met by all frameworks is the *Specification of Apprenticeship Standards for England* (SASE).²⁶ This is a technical document written principally to guide organisations involved in designing frameworks. It stipulates the minimum qualifications levels required of successful apprentices under the vocational element, the technical element and the key skills element of the apprenticeship. It also specifies the standards of attainment expected of successful apprentices under various headings, including 'team working' and 'effective presentation'.

Further detailed information on the minimum contractual and operational standards required of apprenticeships can be found in the SFA *Funding rules for 2012/13*.²⁷

It was announced in June 2012 that the future of apprenticeships will be reviewed for the government by Doug Richard, the founder of School for Startups. This review will examine the extent to which apprenticeships meet the needs of the economy, the extent to which apprenticeships deliver quality training, and how the impact of government investment in apprenticeships can be maximised.²⁸

3.3 Further Education loans for apprentices

This policy affects learners aged 24 and over studying for apprenticeships at Level 3 and above. Apprenticeship for under 24 year olds will continue to be free to the apprentice, as will Level 2 apprenticeships for people of all ages. This policy will be introduced for the 2013/14 academic year.

²² *Ibid*, pp 32

²³ *Ibid*, pp 25

²⁴ BIS, *Press release: Tough standards released by Skills Minister to drive up quality*, 1 April 2012

²⁵ NAS, *Apprenticeship Quality Action Plan*, April 2012

²⁶ NAS, *Specification of Apprenticeship Standards for England*, January 2011

²⁷ SFA, *Funding rules for 2012/13*, May 2012

²⁸ BIS, *Press release: Entrepreneur and founder of School for Startups, Doug Richard, is to lead an independent review into the future of apprenticeships for the Government*, 11 June 2012

The policy proposes that the employer will continue to contribute up to 50% of the training costs, but the apprentices aged 24 and over will be expected to contribute the remaining costs. A loan will be made available for these apprentices from the government. As the Government states:

This is the first time that learners aged 24 or above may be expected to contribute toward the costs of their Apprenticeship.²⁹

FE loans for apprentices will operate on a very similar system to the one currently in place for Higher Education (HE) students, as the table below indicates:³⁰

Loan Attribute	FE Loans	HE Loans
Learning type:	Level 3/4	First full degree
Loan amount:	Up to £4,000 (but dependant on funding rates)	Up to £9,000 per annum
Repayment Threshold	£21,000	£21,000
Threshold Growth	Yearly with earnings	Yearly with earnings
Repayment period:	30 years	30 years
Repayment Rate:	9% of earnings >threshold	9% of earnings >threshold
Date repayment starts:	April following learner finishing course	April following student finishing course (for full-time HE)
Interest rate for below threshold	RPI	RPI
Interest rate for threshold to £41k	Between RPI & RPI +3%%	Between RPI & RPI +3%%
Interest rate for £41k+	RPI + 3%*	RPI + 3%*

* this interest rate will also apply during the period of the course while the learner is in training

The Government intends to introduce this system in time for the 2013/14 academic year. The first loan funded apprentices will start their courses in August 2013, having been able to apply for loans from March 2013.³¹

3.4 Apprenticeship Grant for Employers of 16 to 24 year olds (AGE 16-24)

The Apprenticeship Grant for Employers of 16 to 24 year olds (AGE 16-24) was announced in November 2011³² and launched in February 2012.³³

AGE 16-24 is designed to encourage more small businesses to take on apprentices, to encourage more young apprentices and to raise the skill level of apprentices.³⁴

²⁹ BIS consultation: *New challenges, new chances: next steps in implementing the further education reform programme – Further Education Loans*, August 2011, page 14

³⁰ *Ibid*: page 11

³¹ *Ibid*: Page 29

³² BIS, *Press release: Apprenticeships: Cable guarantees quality, slashes red tape and delivers cash boost for firms*, 16 November 2011

³³ BIS, *Press release: PM: We'll make apprenticeships a gold standard option for ambitious young people*, 7 February 2012

³⁴ NAS, *AGE 16-24*, February 2012, website

The scheme will pay £1,500 to small businesses that take on a young apprentice between February 2012 and March 2013, if the firm has never hired an apprentice before.

The details of the updated scheme are as follows³⁵:

- The apprentice must be 16-24 years old when hired
- The firm must have 1,000 or fewer employees when they take on the apprentice
- For a business to be eligible for payment, the employer must not have taken on an apprentice in the last 12 months
- An employer can claim up to 10 grants

Payment

Employers will be paid £1,500 if they take on an apprentice and fulfil the above eligibility criteria.

The full amount will be paid after the 13 week stage of the apprentice's appointment, with the expectation that the apprentice will progress into sustainable employment.³⁶

The scheme is intended to encourage 20,000 new apprentices, and the scheme will be funded from money already allocated to apprenticeships.

Budget

£31.8 million has been allocated to NAS for AGE 16-24 in the 2012/13 financial year. £12.6 million has been allocated for 2013/14.³⁷

3.5 Higher Apprenticeship Fund

The Government's Skills Strategy committed to improve apprenticeship standards:³⁸

We will not only increase numbers, but we will also improve the programme. As an advanced economy needs advanced skills, we will reshape Apprenticeships so that technician level – Level 3 – becomes the level to which learners and employers aspire. To widen access, there will be clear progression routes from Level 3 Apprenticeships to higher level skills, including Level 4 Apprenticeships or higher education.

The delivery of this commitment involved the establishment of the Higher Apprenticeship Fund (HAF). The HAF aims to develop a range of higher level apprenticeships, and fund 10,000 apprentices on these newly created frameworks.³⁹

The HAF is intended to aid the development of the 'soft infrastructure' for skills, by encouraging businesses and training providers to design and pilot courses together.

In December 2011, the projects which had successfully applied for HAF money were announced. Successful bids include those from FE colleges, Sector Skills Councils, businesses, charities, universities and training consortia.⁴⁰

³⁵ NAS, *AGE 16-24 criteria changes – August 2012*, 21 August 2012

³⁶ *Ibid*

³⁷ BIS, *SFA funding letter from Rt. Hon. Vince Cable MP to Geoff Russell*, 22 May 2012

³⁸ BIS, *Skills for Sustainable Growth: Strategy Document*, Nov 2010, page 7

³⁹ NAS, *HLF prospectus*, June 2011

⁴⁰ BIS, *Press release: 19,000 new higher apprenticeships to deliver skills for growth*, 1 December 2011

The frameworks will be developed in the coming months by businesses and training providers and launched during the 2011/12 and 2012/13 academic years.

The figures published in December 2011 indicate that the HAF will fund over 11,000 apprenticeships at Level 4 or above. Additionally, over 6,000 more Level 4 or above apprenticeships will be funded from the apprenticeships budget, taking the total number of funded Higher Level apprenticeships to almost 19,000.⁴¹

A second round of HAF funding was announced in February 2012. This round adds £6 million to the £19 million that was awarded in the first round awarded in the first round of the HAF. The fund is worth £25 million overall.⁴²

The second round of the HAF seeks applications to develop higher apprenticeships in areas including accounting, aerospace, paralegal, early years schooling, retail and the space industry. The intention is that this round of the HAF will build “ladders of progression” from intermediate and advanced apprenticeships to the newly created higher apprenticeships.⁴³

3.6 Apprenticeship training agencies

Apprenticeship Training Agencies (ATAs) are organisations which directly employ apprentices. The business hosting the apprentice will operate as the apprentice’s day-to-day workplace and manager. The ATA will coordinate the training provided to the apprentice and will pay any training costs associated with the training. The host employer pays the ATA a fee based on the apprentice’s wage and any training costs.⁴⁴

ATAs act as an incentive for businesses to take on apprentices because they will deal with any additional administration associated with hiring or employing an apprentice. The apprentices will require no more administration than a normal employee, and ATAs will also take on responsibility for National Insurance and tax administration, and performance management in some cases, reducing the administrative burden further.

ATAs are also flexible in order to offer the most useful assistance to businesses. If a business wants just part of the administration associated with taking on an apprentice dealt with by an ATA (for example, recruitment), then ATAs can offer this.

ATAs were first introduced in 2009 and have been piloted in several regions over the years since then.⁴⁵ ATAs are listed by region on the [NAS website](#).

3.7 Access to Apprenticeships

The Access to Apprenticeships ‘pathway’ was announced in May 2011 and aims to prepare young people for an apprenticeship, if they require extra support.⁴⁶

People on the Access to Apprenticeship pathway do not count as apprentices because they are not employed. Rather, they work towards elements of an apprenticeship framework, mainly focusing on workplace-based learning.

⁴¹ *Ibid*

⁴² BIS, *Press release: PM: We’ll make apprenticeships a gold standard option for ambitious young people*, 7 February 2012

⁴³ NAS website, *Higher apprenticeships*, February 2012

⁴⁴ National Apprenticeships Service (NAS), *Apprenticeship training agencies*, September 2011

⁴⁵ NAS, *Testing Alternative Delivery Models*, May 2009

⁴⁶ NAS, *Access to Apprenticeships*, October 2011,

The pathway involves a specific kind of unpaid work experience which focuses on specific elements of an apprenticeship framework, for a maximum of six months. The expectation is that people on this pathway will begin the full apprenticeship before the end of six months.⁴⁷

To be eligible for the Access to Apprenticeships pathway, the individual must be:

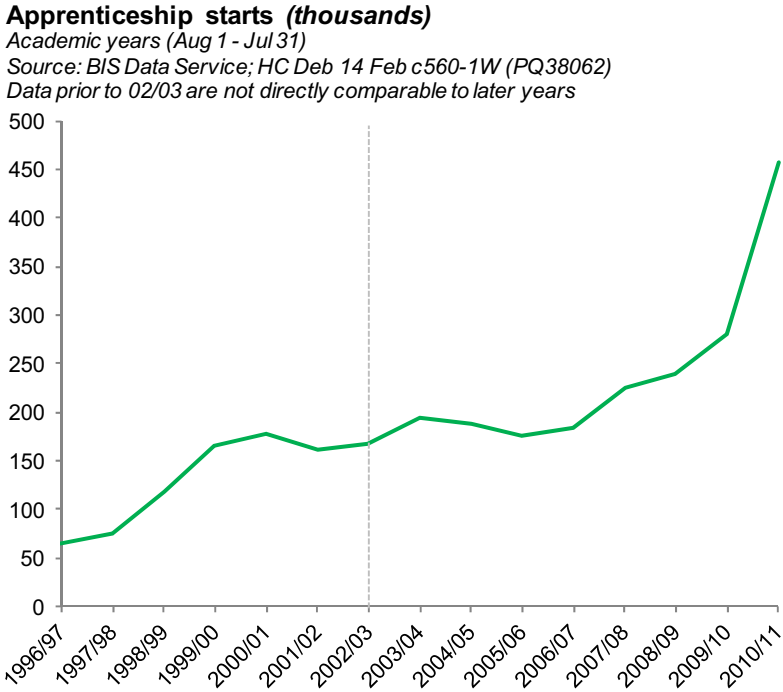
- 16-24 years old
- Assessed as able to participate in a full apprenticeship to at least Intermediate Level
- Either:
 - Have been not in education, employment or training (NEET) for the whole of the preceding 13 weeks, or
 - Be eligible for Additional Learning Support

From August 2011, there will be 10,000 Access to Apprenticeships places available each year. Any funding that is required will be from existing apprenticeship budgets.

4 Statistics

Further information on statistics is available in the Library Standard Note [Apprenticeship Statistics](#).

Although the increase in starts in 2010/11 compared to in the previous academic year was large, this follows a pattern which has been evident for several years, as the chart below shows.



⁴⁷ NAS, [Access to Apprenticeships pathway: Q and A](#), October 2011

In the 2010/11 academic year:

- There were 457,200 apprenticeship starts, compared to 279,700 in 2009/10, an increase 54% or 177,510;
- Much of this increase is due to people aged over 25 starting apprenticeships;
- A much higher proportion of apprenticeship starters are now aged over 25 compared to in previous years;
- The majority of people starting apprenticeships choose frameworks in the service sectors, such as business administration and retail;
- The majority of apprenticeship starters were female in 2010/11 for the first time.⁴⁸

Apprenticeship starts in 2009/10 broken down by size of employer are shown below.⁴⁹

Apprenticeship starts by employer-site size			
<i>2009/10 academic year - estimates</i>			
Number of employees at site	Proportion of apprenticeship starts		
	Under 19	19 and over	Total
1 to 49	47%	36%	41%
50+	34%	50%	43%
Unknown	19%	14%	16%
Total	100%	100%	100%
Total number of starts	114,000	159,800	273,900

Source: BIS Individualised Learner record, via HC Deb 13 Dec 2010, c586W

Notes: Figures based on number of employees at local site level. A national employer that has multiple sites across the country may therefore be recorded as a site-level employer more than once.

Age based on age at start of programme.

Based on provisional figures, so totals may differ from other published figures for total number of apprenticeship starts.

Further information on apprenticeships and small businesses is available in the Library Standard Note [Apprenticeships and small businesses](#).

⁴⁸ BIS Data Service, [Supplementary Tables on apprenticeships](#)

⁴⁹ HC Deb 13 Dec 2010, c586W



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

March 2013

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Ministerial Foreword

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

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

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

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

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



Matthew Hancock MP
Minister for Skills



Rt Hon Michael Gove MP
Secretary of State for Education



Rt Hon Dr Vince Cable MP
**Secretary of State for Business
Innovation and Skills**

Introduction

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 1: The role for Apprenticeships

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

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

Richard Review recommendation

Apprenticeships should be redefined:

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

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

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

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

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

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

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

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

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

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

Traineeships

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

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

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

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

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

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

Section 2: Apprenticeship qualifications that employers really value

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

Richard Review recommendation

The focus of Apprenticeships should be on the outcome:

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

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

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

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

Recognised industry standards

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

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

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

Qualifications

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

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

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

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

Standard setting criteria

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

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

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

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

Designing the standards and qualifications

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

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

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

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

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

How we will get there

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

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

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

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

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

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

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

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

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

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

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

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

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

Richard Review recommendation

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

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

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

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

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

Key principles of good assessment

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

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

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

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

End point assessment

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

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

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

Enhanced employer engagement

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

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

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

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

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

Grading

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

²

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

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

Assessment oversight

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

Next steps

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

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

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

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

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

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

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

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

Section 4: English and maths

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

Richard Review recommendation

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 5: Promoting innovative and high quality training

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

Richard Review recommendation

The government should encourage diversity and innovation in delivering Apprenticeships:

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

The government has a role in promoting good quality delivery:

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

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

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

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

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

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

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

Building on what works

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

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

Safeguarding quality

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

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

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

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

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

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

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

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

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

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

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

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

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

Richard Review recommendation

Government funding must create the right incentives for Apprenticeship training:

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

Creating the right incentives for Apprenticeship training

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

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

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

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

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

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

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

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

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

Section 7: Improving awareness and information

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

Richard Review recommendation

Learners and employers need access to good quality information:

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

Government must actively boost awareness of the new Apprenticeship model.

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

Improving information and boosting awareness

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

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

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

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

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

Open data and online information

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

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

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

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

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

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

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

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

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

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

Improving employer links with schools

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

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

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

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

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

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

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

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

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

Section 8: Equality and diversity

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

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

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

Section 9: Timetable and next steps

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

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

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

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

Section 10: Questions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

the standards that employers have set?

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

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

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

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

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

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

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

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

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

Section 11: Responding to this consultation

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

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

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

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

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

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

The closing date for responses is Wednesday 22 May 2013.

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

Section 12: Confidentiality & data protection

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

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

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

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

Section 13: Consultation principles

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

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

Comments or complaints on the conduct of this consultation

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

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

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

Annex A: Response Form



Department
for Education



Department
for Business
Innovation & Skills

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

Response form

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

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

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

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

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

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

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

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

Confidentiality and data protection

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

Yes, I would like you to publish or release my response

No, I don't want you to publish or release my response

Your details

Name:

Organisation (if applicable):

Address:

Telephone:

Fax:

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

Business representative organisation

Independent Training Provider

College

Awarding Organisation

School

Charity or social enterprise

Individual

Legal representative

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

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

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

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

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

Yes No Don't know

Please explain your response:

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

Yes

No

Don't know

Please explain your response:

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

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

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

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

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

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

Yes

No

Don't know

Please explain your response:

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

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

Yes

No

Don't know

Please explain your response:

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

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

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

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

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

Annex B: Terms of reference for Richard Review

Summary

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

Detail

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

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

4. Key questions to be considered include:

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

Timing

5. The review should report in autumn 2012.



Department
for Education



Department
for Business
Innovation & Skills

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

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

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

BIS/13/577

Report Title: Apprenticeship Quarterly MI Report for Southampton

This report contains data from the ILR for Apprenticeships, Apprenticeships QSR and Apprenticeship Vacancies.

Notes

- 1) '-' Indicates a base value of 0 for volumes, for Success Rates this indicates a cohort of less than 5.
- 2) '<5' Indicates a base value of less than 5.
- 3) Full quarters are as follows: Quarter 1: Aug to Oct. Quarter 2: Nov to Jan. Quarter 3: Feb to Apr. Quarter 4: May to Jul unless individual months are stated.
- 4) Where Full Year is not stated the previous years data is like for like, ie P1-3 at P4, P1-6 at P6, to enable accurate comparisons, please see the Refresh Timetable.
- 5) Regional refers to the Government Office Region for the LEA.
- 6) Includes data from Employer Outcome Pilot.
- 7) Participation figures are calculated using the same methodology as the SFR, however participation data cannot be matched against the SFR as this report includes non-funded learners.
- 8) Full definitions for this report are available in a separate user guide, please see this for further details.

Data Source Frequency

Publication Date

Quarter

Quarterly

05/02/2013

Final

The Data Service is committed to delivering and demonstrating excellence in the collection, transformation and dissemination of learner and funding data. For information on the data quality of our datasets, including known issues, please visit the Data Quality section of the Data Service website:



<http://www.thedataservice.org.uk/Services/DataQuality/>

We work closely with the information authority towards the continuous development of data validation, credibility checking and data quality processes for Individualised Learner Record (ILR) datasets. Should you have any data quality queries please contact the Service Desk on Telephone: 08702 670001 or by email at <http://www.thedataservice.org.uk/ContactUs/>

In order to comply with Data Protection requirements, figures of less than 5 have been suppressed.

Data from the Apprenticeship vacancy online system refers to applications reported through the online system and are presented to show its performance. The data does not represent the total number of Apprenticeships started. For the latest data on Apprenticeships, see the [Statistical First Release](#).

The tables in the report display data by academic year quarters based on the succeeding period eg Q1 at P4, Q2 at P7, Q3 at P9 and Q4 at p12, unless otherwise stated.

Please Note: Quarter 4 will use the R14 2011/12 Return, ER12 2010/11 Return and W12 2009/10 Return, this is because it provides the most like for like comparison for previous years based on the October Statistical First Release for this year.

Appendix 4

16 Year Olds

	Starts			% Difference		Participation		
	2009/10	2010/11	2011/12	09/10 - 10/11	10/11 - 11/12	2009/10	2010/11	2011/12
LEA								
Intermediate	99	69	88	-30.3%	27.5%	150	120	119
Advanced	24	18	17	-25.0%	-5.6%	36	26	20
Higher	-	-	-	0.0%	0.0%	-	-	-
Total	123	87	105	-29.3%	20.7%	186	146	139
Regional								
Intermediate	2,651	2,723	2,830	2.7%	3.9%	4,119	4,235	4,246
Advanced	560	691	675	23.4%	-2.3%	816	1,060	935
Higher	-	-	-	0.0%	0.0%	-	-	-
Total	3,211	3,414	3,505	6.3%	2.7%	4,935	5,295	5,181
National								
Intermediate	25,429	25,548	24,370	0.5%	-4.6%	39,614	42,028	37,417
Advanced	4,349	5,264	5,726	21.0%	8.8%	6,499	8,239	7,644
Higher	-	-	<5	0.0%	0.0%	-	-	<5
Total	29,778	30,812	30,099	3.5%	-2.3%	46,113	50,267	45,064
Statistical Neighbours								
Total	203	172	189	-15.3%	9.9%	329	287	287

17 Year Olds

	Starts			% Difference		Participation		
	2009/10	2010/11	2011/12	09/10 - 10/11	10/11 - 11/12	2009/10	2010/11	2011/12
LEA								
Intermediate	129	116	80	-10.1%	-31.0%	207	211	153
Advanced	43	43	35	0.0%	-18.6%	66	79	51
Higher	-	-	-	0.0%	0.0%	-	-	-
Total	172	159	115	-7.6%	-27.7%	273	290	204
Regional								
Intermediate	3,969	3,874	4,050	-2.4%	4.5%	7,068	6,770	6,575
Advanced	1,053	1,421	1,277	34.9%	-10.1%	1,847	2,302	2,028
Higher	<5	-	<5	-100.0%	0.0%	<5	-	5
Total	5,023	5,295	5,331	5.4%	0.7%	8,916	9,072	8,608
National								
Intermediate	33,089	34,789	33,218	5.1%	-4.5%	55,571	58,182	54,488
Advanced	7,677	10,041	9,951	30.8%	-0.9%	14,626	17,029	15,899
Higher	10	12	32	20.0%	166.7%	30	37	52
Total	40,776	44,842	43,201	10.0%	-3.7%	70,227	75,248	70,439
Statistical Neighbours								
Total	288	251	263	-12.8%	4.8%	482	470	409

18 Year Olds		Starts			% Difference		Participation		
		2009/10	2010/11	2011/12	09/10 - 10/11	10/11 - 11/12	2009/10	2010/11	2011/12
		Intermediate	98	126	122	28.6%	-3.2%	158	225
Advanced	63	80	77	27.0%	-3.8%	99	127	125	
Higher	<5	-	<5	-100.0%	0.0%	<5	-	<5	
Total	163	206	200	26.4%	-2.9%	259	352	332	
Regional	4,326	4,509	4,783	4.2%	6.1%	7,561	8,033	7,392	
Advanced	1,970	2,497	2,593	26.8%	3.8%	3,217	3,819	3,868	
Higher	<5	7	24	133.3%	242.9%	10	16	20	
Total	6,299	7,013	7,400	11.3%	5.5%	10,788	11,868	11,280	
National	30,894	36,990	37,830	19.7%	2.3%	51,900	59,369	56,218	
Advanced	15,213	18,895	18,469	24.2%	-2.3%	25,817	29,183	26,652	
Higher	115	163	292	41.7%	79.1%	182	239	309	
Total	46,222	56,048	56,591	21.3%	1.0%	77,899	88,791	83,179	
Statistical Neighbourhoods	283	321	339	13.4%	5.6%	454	542	498	

16-18		Starts			% Difference		Participation			Success Rates (Full Year)		
		2009/10	2010/11	2011/12	09/10 - 10/11	10/11 - 11/12	2009/10	2010/11	2011/12	2009/10	2010/11	2011/12
		Intermediate	326	311	290	-4.6%	-6.8%	515	556	477	66.7%	69.3%
Advanced	130	141	129	8.5%	-8.5%	201	232	195	68.7%	76.8%	70.4%	
Higher	<5	-	<5	-100.0%	0.0%	<5	-	<5	-	-	-	
Total	458	452	420	-1.3%	-7.1%	718	788	673	67.3%	72.0%	69.2%	
Regional	10,946	11,106	11,663	1.5%	5.0%	18,748	19,038	18,213	71.5%	73.3%	71.6%	
Advanced	3,583	4,609	4,545	28.6%	-1.4%	5,880	7,181	6,831	73.7%	78.4%	76.5%	
Higher	<5	7	28	75.0%	300.0%	11	16	25	-	-	-	
Total	14,533	15,722	16,236	8.2%	3.3%	24,639	26,235	25,069	72.0%	74.7%	72.9%	
National	89,412	97,327	95,418	8.9%	-2.0%	147,085	159,579	148,122	71.1%	72.2%	71.9%	
Advanced	27,239	34,200	34,146	25.6%	-0.2%	46,942	54,451	50,195	76.3%	79.0%	76.5%	
Higher	125	175	327	40.0%	86.9%	212	276	365	40.7%	83.2%	64.4%	
Total	116,776	131,702	129,891	12.8%	-1.4%	194,239	214,306	198,682	72.4%	74.0%	73.1%	
Statistical Neighbourhoods	775	745	793	-3.9%	6.4%	1,265	1,298	1,193				

19-24		Starts			% Difference		Participation			Success Rates (Full Year)		
		2009/10	2010/11	2011/12	09/10 - 10/11	10/11 - 11/12	2009/10	2010/11	2011/12	2009/10	2010/11	2011/12
		LEA	Intermediate	250	392	388	56.8%	-1.0%	428	602	626	69.1%
	Advanced	167	226	211	35.3%	-6.6%	414	471	478	65.7%	72.1%	69.0%
	Higher	<5	7	8	75.0%	14.3%	<5	12	11	-	-	80.0%
	Total	421	625	607	48.5%	-2.9%	846	1,065	1,115	67.8%	72.8%	68.0%
Regional	Intermediate	12,001	12,794	13,842	6.6%	8.2%	20,440	22,747	23,087	77.0%	78.0%	76.8%
	Advanced	6,085	7,683	8,751	26.3%	13.9%	14,206	16,015	17,286	74.0%	80.3%	78.3%
	Higher	82	120	175	46.3%	45.8%	88	196	259	-	78.6%	80.6%
	Total	18,168	20,597	22,768	13.4%	10.5%	34,734	38,958	40,632	75.9%	78.8%	77.4%
National	Intermediate	72,752	90,434	101,713	24.3%	12.5%	118,999	148,383	163,358	74.6%	76.7%	74.8%
	Advanced	39,782	51,644	58,037	29.8%	12.4%	96,331	110,453	117,107	75.5%	79.7%	77.8%
	Higher	1,233	1,347	1,666	9.2%	23.7%	1,392	2,444	2,597	71.6%	84.8%	74.4%
	Total	113,767	143,425	161,416	26.1%	12.5%	216,722	261,280	283,062	74.9%	77.8%	75.9%
Statistical Neighbourhoods	Total	671	859	1,000	28.0%	16.4%	1,248	1,530	1,716			

25+		Starts			% Difference		Participation			Success Rates (Full Year)		
		2009/10	2010/11	2011/12	09/10 - 10/11	10/11 - 11/12	2009/10	2010/11	2011/12	2009/10	2010/11	2011/12
		LEA	Intermediate	97	464	605	378.4%	30.4%	195	545	919	84.5%
	Advanced	73	311	365	326.0%	17.4%	190	405	592	70.7%	79.2%	78.5%
	Higher	-	-	<5	0.0%	0.0%	-	-	<5	-	-	-
	Total	170	775	973	355.9%	25.5%	385	950	1,515	78.2%	82.5%	78.0%
Regional	Intermediate	4,007	13,190	15,694	229.2%	19.0%	7,694	16,248	24,712	79.2%	82.2%	75.2%
	Advanced	2,408	8,800	12,034	265.4%	36.8%	5,961	11,685	19,090	70.1%	76.1%	78.2%
	Higher	5	33	120	560.0%	263.6%	<5	34	135	-	-	75.0%
	Total	6,420	22,023	27,848	243.0%	26.4%	13,658	27,967	43,937	75.6%	79.8%	76.2%
National	Intermediate	28,361	113,379	131,865	299.8%	16.3%	51,045	132,588	211,131	77.5%	80.6%	71.4%
	Advanced	20,639	68,022	95,696	229.6%	40.7%	45,906	90,563	148,188	71.5%	76.2%	75.1%
	Higher	133	682	1,702	412.8%	149.6%	143	820	2,160	60.0%	84.2%	70.1%
	Total	49,133	182,083	229,263	270.6%	25.9%	97,094	223,971	361,479	75.1%	78.8%	72.6%
Statistical Neighbourhoods	Total	323	1,212	1,483	275.2%	22.4%	633	1,493	2,342			

All Ages		Starts			% Difference			Participation			All Ages	Success Rates (Full Year)		
		2009/10	2010/11	2011/12	09/10 - 10/11	10/11 - 11/12	2009/10	2010/11	2011/12	2009/10		2010/11	2011/12	
		Intermediate	673	1,167	1,283	73.4%	9.9%	1,138	1,703	2,022		Intermediate	70.7%	73.9%
Advanced	370	678	705	83.2%	4.0%	805	1,108	1,264	Advanced	68.0%	75.4%	72.9%		
Higher	6	7	12	16.7%	71.4%	6	12	16	Higher	-	83.3%	80.0%		
Total	1,049	1,852	2,000	76.5%	8.0%	1,949	2,823	3,302	Total	69.7%	74.5%	72.1%		
Regional	26,954	37,090	41,199	37.6%	11.1%	46,882	58,033	66,012	Regional	74.9%	76.8%	74.6%		
Advanced	12,076	21,092	25,330	74.7%	20.1%	26,047	34,881	43,206	Advanced	73.0%	78.8%	77.8%		
Higher	91	160	323	75.8%	101.9%	102	246	419	Higher	-	80.3%	80.3%		
Total	39,121	58,342	66,852	49.1%	14.6%	73,031	93,160	109,637	Total	74.3%	77.4%	75.7%		
National	190,525	301,140	328,996	58.1%	9.3%	317,129	440,550	522,611	National	73.4%	75.3%	72.6%		
Intermediate	87,660	153,866	187,879	75.5%	22.1%	189,179	255,467	315,490	Intermediate	74.8%	78.6%	76.5%		
Advanced	1,491	2,204	3,695	47.8%	67.6%	1,747	3,540	5,122	Advanced	64.2%	84.6%	72.6%		
Higher	279,676	457,210	520,570	63.5%	13.9%	508,055	699,557	843,223	Higher	73.8%	76.4%	73.8%		
Total	1,770	2,817	3,277	59.2%	16.3%	3,146	4,321	5,250	Total	73.8%	76.4%	73.8%		
Statistical Neighbours														

Month by Month performance for 16-18

Starts	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Total
2009/10	73	115	17	23	17	23	52	24	14	13	43	44	458
2010/11	40	126	54	23	20	22	45	28	14	15	32	33	452
2011/12	67	103	38	36	15	21	30	28	16	23	14	29	420
Participation	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	
2009/10	288	394	387	386	383	404	436	440	443	442	464	488	488
2010/11	337	438	465	472	473	479	509	497	478	475	476	481	481
2011/12	313	396	401	423	426	441	450	460	449	450	436	438	438
Achievements	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Total
2009/10	14	23	22	18	16	23	17	12	13	15	21	65	259
2010/11	31	20	19	14	11	11	29	16	16	28	23	74	292
2011/12	23	22	19	11	13	16	22	30	19	20	32	35	262

	Employer Sector Lead Body 11/12 starts only				Framework Sector Lead Body 11/12 starts only			
	16-18	19-24	25+	Total	16-18	19-24	25+	Total
	Active Leisure, Learning & Well-being	41	35	12	88	60	34	15
Adult Social Care	23	65	160	248	38	103	219	360
Adult Social Care/Healthcare	-	-	-	-	-	7	13	20
Automotive Industries	28	11	14	53	34	14	-	48
Building Services Engineering	18	14	12	44	25	18	<5	46
Business Information Technology & Telecommunication	5	5	15	25	28	17	7	52
Business, Administration & Governance	-	-	-	-	62	190	369	621
Chemicals, Life sciences, Pharmaceuticals, Nuclear, Oil, Gas, Petroleum, Polymer	<5	-	-	<5	-	-	-	-
Children & Young People	-	-	-	-	-	<5	<5	5
Construction	13	22	28	63	55	27	5	87
Creative & Cultural	<5	<5	<5	5	<5	<5	-	5
Creative Media	<5	5	<5	11	-	-	-	-
Customer Service & Contact Centre	-	-	-	-	-	-	<5	<5
Energy & Utility	<5	<5	9	12	<5	<5	-	7
Engineering Construction Industry	-	-	-	-	-	-	-	-
Facilities Management, Housing, Property, Planning & Cleaning	<5	23	21	48	<5	14	29	46
Fashion & Textiles	-	-	<5	<5	-	-	-	-
Finance, Accountancy & Financial Services	7	14	26	47	9	16	9	34
Food & Drink	-	<5	13	16	-	-	16	16
Freight Logistics & Wholesale	14	10	24	48	<5	<5	49	54
Hair & Beauty	-	-	-	-	-	<5	-	<5
Healthcare	12	52	109	173	9	11	20	40
Hospitality, Leisure, Travel & Tourism	23	64	90	177	30	63	69	162
Industrial Relations	-	-	-	-	<5	9	26	37
Justice & Community Safety	<5	<5	6	12	-	-	5	5
Land-Based & Environmental Industries	<5	8	23	34	7	9	<5	20
Lifelong Learning	76	25	12	113	-	-	-	-
Management & Leadership (including HR & Recruitment)	-	-	-	-	-	-	<5	<5
Maritime	-	-	-	-	-	-	-	-
Marketing & Sales	-	-	-	-	-	-	-	-
Not App/ Known	90	169	321	580	5	<5	<5	9
Passenger Transport	-	<5	8	9	<5	<5	18	21
Process & Manufacturing	7	5	-	12	-	<5	8	12
Retail	25	55	40	120	11	31	25	67
Science, Engineering & Manufacturing Technologies	22	15	23	60	32	21	53	106
Security Industry	-	-	-	-	-	<5	5	8
Supporting Teaching & Learning in Schools	-	-	-	-	-	-	-	-
Grand Total	420	607	973	2,000	420	607	973	2,000

Demographics

Starts by Gender		2009/10	2010/11	2011/12
16-18	Female	34.7%	43.6%	42.1%
	Male	65.3%	56.4%	57.9%
19-24	Female	54.2%	58.1%	53.2%
	Male	45.8%	41.9%	46.8%
25+	Female	61.8%	63.1%	57.0%
	Male	38.2%	36.9%	43.0%
Starts by LLDD		2009/10	2010/11	2011/12
16-18	Yes	16.6%	14.6%	8.1%
	No	83.0%	84.3%	90.0%
	Unknown	0.4%	1.1%	1.9%
19-24	Yes	11.6%	8.8%	12.2%
	No	87.6%	89.6%	85.8%
	Unknown	0.7%	1.6%	2.0%
25+	Yes	10.0%	6.7%	9.1%
	No	90.0%	90.1%	87.8%
	Unknown	0.0%	3.2%	3.1%

Starts by Employer Size Current Year	16-18	19-24	25+
Small	213	276	365
Medium	70	117	155
Large	59	69	132
Very Large	63	132	286
Unknown	15	13	35

16-18 Starts by Sector Subject Area

	Full Year 2010/11	2011/12
Agriculture, Horticulture and Animal Care	<5	7
Arts, Media and Publishing	15	<5
Business, Administration and Law	72	71
Construction, Planning and the Built Environment	81	80
Education and Training	<5	<5
Engineering and Manufacturing Technologies	66	75
Health, Public Services and Care	41	47
Information and Communication Technology	48	28
Leisure, Travel and Tourism	25	24
Not Applicable/ Not Known	-	-
Retail and Commercial Enterprise	99	82
Science and Mathematics	-	-

Baseline for Young People's Participation

	17 Year Old Starts	17 Year Old Cohort	% Participation
2009/10	270	2,634	10.2%
2010/11	304	2,451	12.4%

Access to Apprenticeships

Current Year Starts	Starts on Pathway	Of which Gained Employment
Intermediate	27	7
Advanced	14	<5

16-18 Starts Highest Providers by volume	Full Year 2010/11	16-18 Starts Highest Providers by volume	2011/12
SOUTHAMPTON CITY COLLEGE	46	SOUTHAMPTON CITY COLLEGE	56
ZENOS LIMITED	37	EASTLEIGH COLLEGE	41
ABOVE BAR COLLEGE LIMITED	33	CARILLION CONSTRUCTION LIMITED	35
CARILLION CONSTRUCTION LIMITED	33	ABOVE BAR COLLEGE LIMITED	32
EASTLEIGH COLLEGE	21	PEARSON IN PRACTICE TECHNOLOGY LIMITED	21
TOTTON COLLEGE	20	SOUTHAMPTON ENGINEERING TRAINING ASSOCIATION LIMITED (THE)	17
MCDONALD'S RESTAURANTS LIMITED	18	SPARSHOLT COLLEGE HAMPSHIRE	10
PARAGON EDUCATION & SKILLS LIMITED	18	LIFETIME TRAINING GROUP LIMITED	10
LIFETIME TRAINING GROUP LIMITED	17	BABCOCK TRAINING LIMITED	10
FNTC TRAINING AND CONSULTANCY LIMITED	15	FNTC TRAINING AND CONSULTANCY LIMITED	9

16-18 Starts Highest SASE Frameworks by volume	Full Year 2010/11	16-18 Starts Highest SASE Frameworks by volume	2011/12
Construction	61	Construction	55
IT and Telecoms Professionals (inc ICT)	46	IT and Telecoms Professionals (inc ICT)	32
Hairdressing	44	Business Administration	30
Customer Service	38	Children's Care Learning and Development	30
Hospitality and Catering	31	Customer Service	28
Business Administration	27	Hospitality and Catering	28
Children's Care Learning and Development	26	Vehicle Maintenance and Repair	26
Engineering	24	IT and Telecoms Professionals (inc ICT)	25
Vehicle Maintenance and Repair	19	Engineering	23
Active Leisure and Learning	19	Active Leisure and Learning	17

19-24 Starts Highest Providers by volume	Full Year 2010/11	19-24 Starts Highest Providers by volume	2011/12
SOUTHAMPTON CITY COLLEGE	56	SOUTHAMPTON CITY COLLEGE	67
FNTC TRAINING AND CONSULTANCY LIMITED	47	BABCOCK TRAINING LIMITED	34
BABCOCK TRAINING LIMITED	36	TOTTON COLLEGE	28
PARAGON EDUCATION & SKILLS LIMITED	36	FNTC TRAINING AND CONSULTANCY LIMITED	27
LIFETIME TRAINING GROUP LIMITED	29	JHP GROUP LIMITED	22
KAPLAN FINANCIAL LIMITED	24	BROCKENHURST COLLEGE	19
THE CAPITA GROUP PLC	19	EASTLEIGH COLLEGE	16
TOTTON COLLEGE	18	FAREPORT TRAINING ORGANISATION LIMITED	14
EASTLEIGH COLLEGE	18	HOSPITALITY TRAINING PARTNERSHIP (IOW) LIMITED	14
BROCKENHURST COLLEGE	17	THE CARE LEARNING CENTRE (ISLE OF WIGHT) LIMITED	14

19-24 Starts Highest SASE Frameworks by volume	Full Year 2010/11	19-24 Starts Highest SASE Frameworks by volume	2011/12
Health and Social Care	98	Health and Social Care	89
Customer Service	76	Customer Service	84
Business Administration	60	Hospitality and Catering	63
Hospitality and Catering	57	Business Administration	54
Retail	42	Management	47
Children's Care Learning and Development	39	Children's Care Learning and Development	32
Active Leisure and Learning	35	Retail	31
Management	31	Construction	27
Construction	27	Active Leisure and Learning	19
Accountancy	19	Accountancy	14

25+ Starts Highest Providers by volume	Full Year 2010/11	25+ Starts Highest Providers by volume	2011/12
FNTC TRAINING AND CONSULTANCY LIMITED	54	BROCKENHURST COLLEGE	62
PARAGON EDUCATION & SKILLS LIMITED	53	TOTTON COLLEGE	61
BROCKENHURST COLLEGE	39	FNTC TRAINING AND CONSULTANCY LIMITED	55
SOUTHAMPTON CITY COLLEGE	37	NEWCASTLE COLLEGE	42
THE CAPITA GROUP PLC	35	PARAGON EDUCATION & SKILLS LIMITED	38
TOTTON COLLEGE	32	SOUTHAMPTON CITY COLLEGE	38
SHEFFIELD TRAINERS LIMITED	29	THE CARE LEARNING CENTRE (ISLE OF WIGHT) LIMITED	36
THE CARE LEARNING CENTRE (ISLE OF WIGHT) LIMITED	27	BABCOCK TRAINING LIMITED	27
JHP GROUP LIMITED	25	HOSPITALITY TRAINING PARTNERSHIP (IOW) LIMITED	26
SOUTH NOTTINGHAM COLLEGE	22	JHP GROUP LIMITED	26

25+ Starts Highest SASE Frameworks by volume	Full Year 2010/11	25+ Starts Highest SASE Frameworks by volume	2011/12
Health and Social Care	202	Health and Social Care	203
Customer Service	124	Management	156
Management	90	Customer Service	133
Business Administration	66	Business Administration	73
Hospitality and Catering	49	Hospitality and Catering	69
Children's Care Learning and Development	38	Industrial Applications	52
Warehousing & Storage	31	Children's Care Learning and Development	51
Retail	24	Driving Goods Vehicles	33
Teaching Assistants	24	Cleaning and Support Service Industry	27
Retail Financial Services	17	Teaching Assistants	26

Apprenticeship vacancies

	2010/11 Full Year	2011/12
Under 19 Activated Registrations		
Southampton	1,129	962
Regional	32,481	32,025
National	259,635	258,129
Under 19 Applications	2010/11 Full Year	2011/12
Southampton	2,420	1,761
Regional	55,171	50,960
National	635,250	540,981

Vacancies & Application rates by Sector Subject Area	Vacancies posted (open to all ages)		U19 Applications per Vacancy
	2010/11 Full Year	2011/12	
Agriculture, Horticulture and Animal Care	-	5	2.8
Arts, Media and Publishing	-	26	2.8
Business, Administration and Law	83	125	8.4
Construction, Planning and the Built Environment	6	24	6.0
Education and Training	-	2	7.0
Engineering and Manufacturing Technologies	28	40	19.9
Health, Public Services and Care	14	40	5.8
Information and Communication Technology	17	25	5.9
Leisure, Travel and Tourism	1	38	0.7
Retail and Commercial Enterprise	28	25	4.6
Science and Mathematics	-	-	-
Unknown	1	-	4.0

Highest Frameworks Vacancies & Application rates	Vacancies posted (open to all ages)		Ave U19 Applications (per Vacancy)	
	2010/11 Full Year	2011/12	2010/11 Full Year	2011/12
Business Administration	31	-	12.4	-
Business and Administration	24	82	8.6	7.1
Customer Service	17	31	7.8	7.8
IT & TELECOMS ProfAL	15	-	2.8	-
Retail	14	10	1.4	0.1
Hospitality and Catering	13	7	3.3	5.0
Children's Care Learning and Development	7	-	12.3	-
Engineering	7	-	21.9	-
Sales and Telesales	6	-	7.0	-
Vehicle Maintenance and Repair	5	-	19.6	-

Highest Apprenticeship vacancies - Applications by under 19s	Vacancies posted (open to all ages)		2010/11 Full Year	2011/12
	2010/11 Full Year	2011/12		
Business Administration	-	-	385	-
Engineering Technology	-	-	256	50
Business and Administration	-	-	207	580
Engineering	-	-	153	-
Customer Service	-	-	132	242
Vehicle Maintenance and Repair	-	-	98	-
Children's Care Learning and Development	-	-	86	-
Hospitality and Catering	-	-	43	35
IT & TELECOMS ProfAL	-	-	42	-
Sales and Telesales	-	-	42	-

BRIEFING PAPER

SUBJECT: New Apprenticeship Campaign
DATE: 11 March 2013
RECIPIENT: Leader of the Council
REPORT OF: Andy Tickner, Skills Manager
DIRECTOR: Dawn Baxendale, Interim Chief Executive

THIS IS NOT A DECISION PAPER

SUMMARY:

The Council has strategic lead to generate Apprenticeship growth in the city, including the introduction of new initiatives to create additional Apprenticeship opportunities, and the provision of Information, Advice and Guidance to raise awareness of Apprenticeships to young people, parents, adults and local businesses.

In partnership with the National Apprenticeship Service (NAS), the Council is planning to introduce a new Southampton '1 in 1000' Apprenticeship Campaign, to boost the number of local businesses recruiting apprentices. Particular focus will be in key sectors of construction (including ECO/Green Deal), Marine (including BEEMS), Advanced Manufacturing, Health and Social Care, Hospitality and Retail.

The proposed activities for the campaign were agreed at an initial planning meeting with NAS on 1 March. This paper outlines the proposed activities.

Approval is requested to develop and deliver the campaign, to inform businesses during events already scheduled for National Apprenticeship Week (11-15 March), with an official campaign launch April onwards.

BACKGROUND and BRIEFING DETAILS:

- 1 The National Apprenticeship Service Final Report for academic year 2011/12 was released in February 2013. The report confirms that across all age groups Southampton has seen an 8% increase in apprenticeship starts compared with the previous year. The regional increase is 15% and national increase 13%. Southampton apprenticeship starts for ages 16-18 and 19-24 have decreased by 7% and 3% respectively, comparing unfavourably with regional and national trends. Targeted programmes for 16-18 and 19-24 apprenticeships need to be re-introduced in the city.

APPENDIX 5

BRIEFING PAPER

- 2 In partnership with the National Apprenticeship Service, the Council delivered a highly successful '100 in 100' campaign in 2011 which boosted the local economy with an additional 186 apprenticeship starts in 100 days. The focus of the campaign was to raise awareness of apprenticeship opportunities to local young people, parents and unemployed adults.
- 3 The new Southampton '1 in 1000' campaign will prioritise information, advice and guidance (IAG), raising awareness, offering practical support and incentives for local employers to recruit apprentices, particularly SMEs and employers in key sectors. The campaign target will be for 1000 local employers to have at least one apprentice in their workforce, including a sub-target for higher level apprenticeships. The existing number of employers who have recruited apprentices is being confirmed by NAS, so that the size of the task is clear, and a realistic campaign timescale will be set.

Proposed Campaign Activities

- 4 Employer Engagement – Local business representative organisations will be campaign partners to provide IAG and promote apprenticeship recruitment to employers, including the Chamber of Commerce, FSB and Business Solent. NAS has committed £27,000 for the South Central area, through which the Chamber of Commerce and FSB will claim £200 for every 16-18 apprenticeship recruited as a direct result of their engagement activity. The proposal is for the Council to match this amount for Southampton, expanding the incentive to include Business Solent and offer to the 19-24 age group.
- 5 Employer Incentives – Nationally, through the Youth Contract, employers can claim a £1,500 AGE payment (Apprenticeship Grant for Employers) for taking on an apprentice aged 16-24. The £1,500 is in addition to the training costs of the apprenticeship framework which are met in full for 16-18 and 50% for 19-24. A pilot scheme at the Isle of Wight Council has match-funded the AGE payment, with grants of up to £3,000 used to encourage employers to take on new apprentices. Youth Contract data shows a positive impact with take-up on the Isle of Wight 70% higher than Southampton or Portsmouth. The proposal is for the Council to match the AGE grant for the duration of the campaign, offering 50% uplift for all apprenticeships and 100% uplift for 'green' apprenticeships, such as ECO/Green Deal, Marine (BEEMS) and environmental technologies.
- 6 Employer Support – Currently, local face-to-face support for an employer considering apprentice recruitment is only available for those with over 250 employees, with employers under 250 supported by a NAS national helpline. NAS has committed resource to support the new campaign, including a member of staff to work with networks of small businesses in Southampton, improving awareness and making the process of apprenticeship recruitment easier and more personalised.

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- 7 Marketing and Promotion – The previous Southampton ‘100 in 100’ campaign was sponsored by the Daily Echo, providing 16-page newspaper supplements and high coverage levels. An equivalent ‘Ladder for London’ apprenticeship programme is currently working in partnership with the London Evening Standard. The proposal is for the new campaign to be ‘adopted’ by the Daily Echo to maximise awareness and publicity opportunities.

RESOURCE/POLICY/FINANCIAL/LEGAL IMPLICATIONS:

Resource

- 8 New staffing resource will be allocated by the National Apprenticeship Service for the Southampton campaign. Resource implications for the Council are currently being identified.
- 9 The campaign will be partly funded by existing national incentives through the Skills Funding Agency. The proposal is to match-fund by introducing a Council budget (including existing European Social Fund grant secured by the Skills team). Payment arrangements will be agreed with Corporate Finance. Projected costs are given in Table 1 below:

Table 1: New Apprenticeship Campaign Projected Costs

Activity	Volume	Projected Cost (£)
Engagement Payments	100	20,000
Incentive Payments	100	75,000
Operational Costs	-	5,000
Total		100,000

Policy

- 10 The Southampton City Council Plan 2011-14, currently under review, sets priorities to create more jobs for local people, and more local people to be well educated and skilled. The Plan includes a specific target for more young people taking up apprenticeships and in employment.
- 11 The programme will support the Solent LEP and Partnership for Urban Southampton Hampshire (PUSH) sub-regional priorities for skills for growth. It will support a number of Southampton Connect priority projects, particularly:
- Gateway to employment and volunteering opportunities;
 - Gateway to a world of learning opportunities; and
 - Gateway to a better future

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- 12 The Raising of the Participation Age (RPA) requires that from summer 2013, young people are required to continue in education or training until the end of the academic year in which they turn 17, increasing to 18 in 2015. The Council has a duty to secure sufficient suitable education and training provision for all young people as part of RPA, and the options must include apprenticeships.

OPTIONS and TIMESCALES:

1) Option 1: Delivery of the campaign:

- March 2013 – Promotion during National Apprenticeship Week
- April-May 2013 – Campaign launch and first apprentices start
- May-December 2013 – Campaign activity, achievement and evaluation

2) Option 2: Do not deliver the programme

Appendices/Supporting Information:

None

Further Information Available From:

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