

# **Apprenticeship Implementation Plan**

**AELP's recommendations to the establishment  
of new Apprenticeship Standards**



## Apprenticeship Implementation Plan

### Background

In October 2013 the Government published its paper called *The Future of Apprenticeships in England: Implementation Plan* which sets out a number of changes to the existing Apprenticeship Programme. The current Apprenticeship Programme is highly successful with over 800,000 apprentices on programme and over 500,000 starts each year. Success rates are very high and satisfaction ratings from employers and apprentices are the highest they have ever been. The Implementation Plan proposes a number of changes to the Apprenticeship programme. The paper explores a number of issues raised by these changes and makes a number of recommendations as to how those changes can be implemented by building on the strengths of the current programme.

The basis of this paper and our recommendations is that the process of establishing the new standards should ensure that the development process should be a partnership approach with employers taking the lead but involving all of the key stakeholders in the Apprenticeship system. As such we must not be prescriptive about the content and structure of the new standards which have to meet the needs of all employers.

## From Frameworks to Standards

### The Current Apprenticeship Framework Structure

There are over 250 approved frameworks in England (and many more pathways) covering the vast majority of job occupations. Within these frameworks there are pathways that cover specific specialist jobs so that the current programmes involve a core and options approach. Clearly there has to be a balance between standardisation and individualisation because every job contains common elements but the combinations of tasks and work environments means that every person's training requirements could be different. The key is that employers working with providers are able to create a programme that meets the needs of the employer and apprentice. Employer choice is

the key to the continuing success of the programme. In fact the highest satisfaction rating from employers is for the flexibility of providers in adapting their training programmes.

The Apprenticeship Frameworks can be developed by any organisation as long as it meets the requirements set out by the Skills Funding Agency which approves funding. Each sector has a framework promoter, often the Sector Skills Councils, which are employer managed organisations. Employers have driven the structure of the frameworks because they cannot be successfully delivered without the commitment of employers and the frameworks have to be appropriate for the training of these key staff. All apprentices are employed and therefore employers have to buy in to the training. The current structure can sometimes appear complex but this is due to the necessary controls required to assure standardisation of approach, quality and financial control. There are very few employers working with their training experts that cannot adapt the frameworks to their specific needs.

There is clearly a need to ensure that the system remains responsive. We must avoid a one-size-fits-all approach in the search for simplicity. Job functions are continually changing and employers of different types and sizes need different approaches. However the English system is much more flexible than many of the systems highlighted as world class such as Germany. We have to retain this flexibility and responsiveness in the new system.

The content for frameworks is driven by the National Occupational Standards which drive the content of qualifications which are part of the frameworks. Employers are involved at all stages of the development of the NOS and the development of qualifications (many of which have been developed specifically to meet the requirements of an employer or group of employers). There are a wide range of qualifications that can be delivered within an Apprenticeship Frameworks but the ultimate choice about suitability is made by the employer.

## **Apprenticeship Standards**

The proposals are to replace the current frameworks with Apprenticeship Standards that will be short (1 side of A4) and set out a clear statement of the tasks an apprentice would be competent in. It is not yet clear at what level these standards will be set i.e. at job level, occupation level or sector level. In other words will it be all chefs, split between professional chefs and food preparation chefs or at the level of specialism such as specific food types or styles of cooking? The current approach is to allow employers to decide through the existing framework development process. In the proposals the Minister will have the power to make those decisions. It is likely that a different approach will be taken in every sector and there is unlikely to be any standard approach. Clearly this may be an issue where employers have apprentices across many different job roles. If different groups of employers take different approaches employers will find it difficult to develop a company-wide coherent programme.

The standards will be developed by groups of employers who must represent the many different types of employers that operate within a sector. The first group of Trailblazers are dominated by large businesses that have the capacity and expertise to contribute to these discussions. Examples of these types of standards have been highlighted in the recent Review of Adult Vocational Qualifications in England which sets out 2 examples of 'standards' used in Germany. The standards

for sales assistants for retail services include statements like ‘sells goods and services, inform and advise customers and offer customer service, and make use of product knowledge’. These are clearly useful statements but are open to wide differences in interpretations. Clearly these will need to be specified and assessed in a standardised way, a bit like the existing qualifications do in the current system. The short statement of skills will be useful as a starting point but this will just be the start of the process for defining the new standards as it will require a lot more detail than the high level standards.

## **Standards and Qualifications**

The proposals are for employers to set one standard for ‘each occupation’ which require apprentices. The level at which these standards are set are not specified by the proposals which means that every sector or should we say grouping of employers will decide at which level standards will be set. There will be a set of criteria against which these standards will be judged and this will include whether the standards require any specific qualifications that will be required. Currently to achieve the Apprenticeship Framework the apprentice has to achieve a competence based and a knowledge based qualification (or a joint qualification). These qualifications set out what skills, knowledge and competency have to be achieved and they are controlled by the regulations set out by Ofqual which provides the structure by which the quality can be maintained.

In the new standards there may not be any requirement to achieve a qualification other than meet the assessment process set out in conjunction with the standards. This may of course lead to a new set of qualifications being developed or existing qualifications being adapted to meet the new requirements. The current system allows competition to develop between awarding organisations that bring different qualifications and assessment methodologies to the market to meet the different needs of employers and apprentices. Even within specific sectors different groups of employers will have different views as to skill and knowledge requirements even within a common set of standards. With standards set at a very high level (on 1 sheet of A4) there is a lot of room for interpretation as to the level of skill and knowledge required which may result in a proliferation of qualifications rather than a reduction in numbers.

There is a risk that employers will focus on the short term skills that apprentices need to ‘do a job’ rather than learn their trade. This risk is also set out in a paper called Towards Expansive Apprenticeships which says, ‘There is also the danger that some employers, for understandable reasons, will focus too narrowly on immediate skill needs and fail to capitalise on the potential of an apprenticeship programme to deliver longer-term benefits for their organisation, their sector, and the apprentices’. The proposals suggest that the end test will ensure apprentices will cover all of the skills and knowledge required but we would all understand the danger of employers focussing on the short term and assuming that the apprentice will be able to ‘learn to the test’ towards the end of their programme or even not really care about the final result as they already have a trained employee.

## **Minimum Requirements for the Standards**

Apart from the decisions around what job competencies and knowledge the standards must include the only specified requirement is English and maths. All apprentices must be given the support to get to a level 2 in English and maths but the proposals reinforce the current requirement to get to

level 1 in GCSE (i.e. grade D or E) or a level 1 in Functional Skills in order to achieve the Apprenticeship Framework. The new standards will require the apprentices to take the test for the level 2 before completing the framework, whether or not the apprentice has the required knowledge. This could be very demotivating for the apprentices.

Additionally, in the current frameworks, the apprentices also have to complete modules on Employment Responsibilities and Requirements and a module on Personal Learning and Thinking Skills. These are the skills that most employers want to see in young people. They include:

- Creative thinking
- Independent enquiry
- Reflective learning
- Team Working
- Self Management
- Effective participation.

These elements are included in each of the current frameworks to give an element of standardisation of approach. However there is no requirement to include them in the new standards and there is likely to be a very different approach between standards and between employers in delivering the same standards. It would be unfortunate if these skills are not part of the new standards.

The benefits of the giving employers the flexibility to agree what is required in the standards for their sector may mean that there is less opportunity to build in transferable skills that give the learner some confidence that they are learning skills for their specific job and skills for their long term benefit at work.

## Summary

It is good news that employers will be at the heart of the discussions to refresh and renew the existing Apprenticeship structures. The risk is that the standards will be very different in structure and content between job functions and sectors and it will be very difficult to maintain coherence and control. The role of qualifications and the fit with the new standards may also lead to duplication (between standards and qualifications) and a lack of rigour and responsiveness as each set of employers bring their own approach to the review. Maintaining the balance between flexibility and coherence, employer and apprentice focus will require a partnership approach involving all of the key stakeholders in the system including employers, providers, awarding organisations and government.

# Assessment and End Testing

## Background

In the recent Government paper called The Future of Apprenticeships in England: Implementation Plan they set out their intention to change some elements of the assessment process of an Apprenticeship programme. One of those element that they wish to change is that 'apprentices will

be assessed largely at the end – with the expectation that in most cases at least two thirds of the assessment must take place at the end of the Apprenticeship’. There is very little detail as to how this is to be interpreted and this paper looks at the different approaches to this objective and explores the impact on apprentices and employers of moving to assessment ‘at the end’.

## The Current Position

Apprenticeship frameworks are currently made up of a package of different qualifications and learning aims set by the employers of each sector and assessed in a range of ways that meet the needs of each sector. Over many years employers have given their input through a range of employer bodies to establish the different frameworks for their sector. Sector Skills Councils have often coordinated this process and of course SSCs have employers on their Boards and governing structures. Employers have therefore been involved in setting the framework structure and the assessment processes that sit alongside it. The awarding bodies establish qualifications that deliver the requirements of the frameworks and they set the assessment process which reflects the learning aims within the qualification and ensure that it is rigorous and fair.

The assessment methods within a framework are very varied reflecting the different types of learning such as knowledge and competence based elements. Competence based qualifications are assessed by qualified assessors in line with the requirements of the awarding bodies who also impose strict processes of external assessment. Other elements of the programme are assessed at the end of the learning through written or screen based testing or project based testing. Therefore the current programme has a mixture of on-going, end testing which is done internally by the provider and checked externally or marked directly by awarding bodies. It is very difficult to assess whether the current methodology meets the ‘largely at the end’ definition. The statement that there is an ‘expectation that in most cases at least two thirds of the assessment will be at the end’ suggests there will be exceptions to this in some sectors.

These assessment processes have been established over many years reflecting the views of employers. As we know from many surveys employers are very satisfied by the delivery of the training and the results they deliver (references to BIS/Pearson surveys). In the vast majority of sectors employers understand the qualifications that make up the framework and respect the processes that sit behind them. In fact it is the respect for the awarding bodies such as City and Guilds, OCR, Pearson, NCFE and others over many years that built the credibility of the Apprenticeship frameworks. To remove the trust in the qualifications from the new standards would be to risk the established credibility and Apprenticeship brand.

## Measuring Assessment

The proposals assume that it will be possible to measure the size and extent of assessment and be able to compare different methodologies of assessment. This will not be easy but there could be different ways of measuring whether end test are two thirds of the total assessment.

- Using the credit value of the learning – each element of the current frameworks is given a credit value which reflects the learning requirement. You could measure the assessment by the credit value

- Using the time spent on assessment – this is unlikely to be a fair and consistent measure
- Allow employers to estimate the proportion of assessment for each element
- Ensure the assessment methodology includes an estimate of the scale of each element of assessment

Our recommendation is to ensure that the size of each assessment methodology for each of the elements of the new standards is estimated when the assessment process is established and this would be signed off by representatives of the different parts of the sector. However it is very clear that there is no easy and generally accepted way of measuring the size of the assessment and therefore each sector must be allowed maximum flexibility to set the appropriate assessment structure.

## Assessment Methodologies

The addendum to the Implementation Plan called Guidance to Trailblazers sets out the variety of assessment methodologies including

- Written tests
- Multiple choice tests
- Observational elements
- Practical synoptic
- Assessment of approach and reasoning
- Projects or portfolios
- Virtual assessment.

It is clear therefore that even the test at the end of the Apprenticeship could involve some observational testing in the same way as the current assessment process. We should not assume that the end test is a single performance or exam based tests. Again this must be left to the sector including employers to decide the appropriateness of the tests.

## When is ‘the end?’

The proposals do not set out when the end of the programme starts. By definition the tests must be completed before the end of the Apprentice programme (as it only ends when all the tests are passed) therefore it must be flexible to decide when the process of end testing can begin. This must reflect the needs of the learners and employers rather than be based on some imposed fixed timescale. In other words it may be possible to start the end tests some time before all of the embedded learning has taken place but the key learning has to be finished before the end testing can start. It will be very difficult to measure this point and it may well be different for different types of learners and different employers.

If part of the end testing is a project then clearly apprentices will have to start the process of project work before the programme is complete and employers must be given flexibility to establish the best timing for the tests. Apprenticeship is a roll on roll off programme which means that they can start and finish at any time of the year. End testing will have to be flexible enough to ensure that it is available when the employer and the apprentice need it. It cannot be a once a year type testing process.

## Rigour and Independence of the Testing

The proposals 'expect' rather than require the end testing element of the assessment to be delivered by an 'independent third party'. We assume that this means that any assessment by the employer or trainer has to be verified by an external body. In the current system awarding organisations operate a rigorous external verification system but this may need to be targeted at the end of the programme. The implementation plan encourages the consideration of a number of different methods of testing. All of these would need to be on demand.

- Paper or on line testing verified by an external body such as an awarding body
- Competence tests verified by a third party organisation
- Holistic end verification of the total assessment process by a third party organisation
- Sampling of assessments by a third party organisation.

The current view is that the assessment processes are currently overseen by awarding organisations and there are extensive systems or verification in place. As the balance of assessment moves to the end of the programme then that verification process will focus more on holistic assessment but the testing can be delivered by the training provider within that rigorous process. However there may be a case for a further check of that process in the early days on a 5% sample basis so that the sector can be re-assured that the process of verification is effective. Employers could be involved in the panels that oversee this process on a national, regional or sector basis.

## Who Decides?

As we have shown in this paper there are a number of issues of definitions and interpretation when it comes to training delivery and assessment. It will be very difficult to achieve standardisation between say retail standards and Aerospace maintenance engineering. The type of assessment and the extent of end testing will be different for each sector or even occupation so it will be important for each sector to agree the appropriate assessment structure. Even within a sector there is likely to be significant divergence of opinion as to what the level of granularity in terms of establishing standards for sectors, functions or specific jobs. Government sets out its view that employers have to decide in conjunction with professional bodies and we would suggest other experts in the sector. 'It will be for employers and professional bodies working with assessment experts to agree the balance of assessment methods that are the most effective for each occupation'. Government must be true to its word and not impose restrictions on these assessment methodologies.

## Summary

Assessment processes will be very different for each sector or even each occupation. We have to avoid a one size fits all approach and allow the employers, in conjunction with sector experts, to make the decisions on the assessment methodologies and timing of the assessments. The current frameworks and qualification assessments are regulated and therefore robust and rigorous. The current assessment processes are managed through a system of regulation and are well respected by employers. Any fundamental change to these established processes must be supported by evidence that any new system will improve the process and build more credibility with employers. There is a case of rationalising the current testing systems and allow employers and training providers to agree an effective assessment system that will be rigorous and respected.

## English and Maths

### The Need for English and Maths

It is very clear that employers want all of their employees to have adequate skills in English and maths. When asked what skills employers look for in young recruits they always say the so called soft skills of communicating, being able to adapt to the workplace, working as part of a team and being able to meet all the basic needs of working such as attendance. A reasonable level of English and maths is an essential part of gaining those and work based skills.

Many young people do not gain a level 2 (GCSE) in both English and maths when they leave school and some of those do not even get to level 1. The Government recognise that the schools should be equipping the young people with English and maths skills but for some years Apprenticeship providers have been delivering English and maths support through Functional Skills.

Employers often resent having to train their young people and existing employees in English and maths. Many apprentices, having failed to achieve English and maths at school, do not see the benefit of having to study these subjects at work. Despite this, providers have delivered Functional Skills (and previously Key Skills) as part of the Apprenticeship programme and this will continue within the new Apprenticeship programme.

### The English and Maths Requirement

Employers will be allowed to decide what level of English and maths will be required to complete an Apprenticeship. At Intermediate Level the minimum requirement will be a level 1 qualification. This can be a grade F to D at GCSE or a Functional Skill pass at Level 1. This is the current requirement. However the Implementation Plan recommends that apprentices take the level 2 test before they finish their Apprenticeship. Although the existing programme requires training providers to offer an apprentice the opportunity to do complete the level 2 this is only offered where it is appropriate and provides an opportunity for the learner. In the proposals all apprentices will have to take the test for the level 2 English and maths even if they do not need the level 2 to achieve the framework. There are a number of scenarios where this would not be appropriate;

- Where the level 1 FS or GCSEs are achieved close to the end of the Apprenticeship
- Where the student has no chance of passing the test for level 2 and may lose confidence in taking the test inappropriately
- Where there are plans to do the level 2 English and maths as part of the level 3 Apprenticeship programme

Clearly there are occasions when taking a level 2 exam or test is not appropriate and the rules should allow this flexibility and judgement for the employer in conjunction with providers to decide whether to put the learner in for the level 2 test.

### **Encouraging More Apprentices to Take Level 2 English and Maths**

Despite our view that there should be some flexibility and exceptions in taking the level 2 we do believe providers should work with employers to give as many apprentices as possible the chance to get to level 2. There are a number of suggestions we would make to support this drive to improve English and maths. These include:

- Review the level of funding for Functional Skills. The funding of FS is 50% of the 19+ rate yet many apprentices need more support than for those on stand-alone programmes
- The 16-19 funding rate is less than the stand alone 19+ rate. This cannot be right.
- Fund English and maths in full and ensure funding for these programmes are directed through providers as recommended by Doug Richard
- More focus should be put on the additional learner and learning support available to improve English and maths
- Encourage delivery of units of English and maths and change requirement to taking the tests of units rather than the level 2 as a whole
- Encourage delivery of on-line and on screen learning.

### **GCSEs or Functional Skills**

The Implementation Plan recommends that once the current GCSEs are reformed then all learners should take GCSEs rather than Functional Skills. GCSEs are being reviewed so that they include more literacy and numeracy that would ensure that people that pass the GCSE are prepared for the requirements of work. It is not yet clear whether the content of the new GCSEs will indeed meet this requirement and so we are cautious about making the commitment to this change until the new examinations are tried and tested. The first examinations of this new course are likely to be in 2015/16 at the earliest so we would suggest a period of transition where Functional Skills would still be available for a period of 2 years after the first examinations of the new GCSEs. Functional Skills now have the confidence of employers and we would not want to damage the support we have for taking English and maths as part of the Apprenticeship.

It is also clear that GCSEs are planned to be a single examination per year. This would not be appropriate in the workplace where we would need the tests and examinations to be available on demand to fit into the tailored programmes that we currently have to meet the needs of employers. The tests have to be taken before any end test so employers will require an on demand test for English and maths to fit into the varied work pattern and training programmes. Until these issues are resolved Functional Skills must be retained as a full and proper alternative to GCSE.

For 16 -19 year olds providers will still be able to offer the GCSE programme even if the apprentice has achieved the required level of Functional Skills or has achieved Level 1 in GCSE. This additional offer should be funded as part of the programme.

## **Summary**

The blanket requirement for apprentices to take the level 2 test prior to the completion of the Apprenticeship is an inappropriate requirement. We must allow employers and providers to make the judgements as to whether taking the level 2 test will be appropriate. There are a number of ways we could encourage the development of English and maths teaching which would include a review of the funding levels.

# **Grading of Apprenticeships**

## **Implementation Plan Proposal**

As part of the minimum requirements of assessment the Government believes that grading will 'encourage apprentices to strive for excellence'. The grading will not need to cover all aspects of the assessment although the apprentices will have to pass all elements of the standards.

## **What are the Grades?**

The grades for the apprenticeship standards will be Pass, Merit and Distinction. There will of course be a fail grade because some apprentices may not pass the final assessments. The current system allows for further support to be provided to apprentices before final testing and sign off. There is no detail as to what each of these definitions is and they will be set as part of the assessment strategy for each standard. Clearly the grading will reflect the overall assessment process which could be very different between sectors. It is assumed that the employers developing the standard will set the way that the grading is applied but this could be very different between sectors. It is not clear how the comparisons between occupations will be maintained.

## **Grading Competence Based Programmes**

The Apprenticeship Programme is based on establishing the competence of an employee based on the skills and knowledge needed to a job. The functions and context of doing those jobs can be very different and therefore undertaking the assessment is a complex task. Establishing whether a series

of job functions can be completed and whether the individual has the underpinning knowledge and attitudes to apply those skills can be tested using a range of techniques. However grading those skills and knowledge is very difficult unless you ensure exactly the same tasks are completed and in the same context. This may be possible in some sectors but in the vast majority of sectors the working context and setting is very different between employers and grading the activities and maintaining standardisation would be very difficult.

Some people that support grading use the comparison with grading of academic qualifications and skills events where individuals are scored and ranked. However these examples provide grading by developing common test that can be repeated in a standard format in the same circumstances including exams and tests. Although the Apprenticeship may well involve some common testing the key element of doing the job will be different in every case. It is not possible to compare work based assessments in the sort of detail that will establish grades. Establishing competence is clear but relatively fine judgements on grades may create an overdependence on tests and exams of knowledge elements because they generate specific marks.

It will be very difficult to compare the work assessments of say someone working in a high technology environment with the assessment of someone working in a micro business. The danger is that the grade will be based on the elements of the assessments that can be marked and scored.

### **Effects of Grades on Entry Requirements**

The introduction of grading could mean that employers will increase their entry requirements in order to ensure that their Apprentices will achieve a higher grade. We know that increasing the entry requirements may mean that the employer takes less Apprentices and this might restrict the entry options for those that have fewer qualifications after leaving school. This may reinforce the current difficulties for some young people to gain entry to an Apprenticeship programme and add to the numbers of young people that are Not in Education, Employment or Training.

### **Difficulties with Grade Judgements**

In work based learning it is notoriously difficult to make fine judgements on competence assessment which may lead to extensive questioning of the grades allocated. There would need to be a clear process for questioning the allocation of grades as it is likely to lead to disappointment and concern if the grades are questioned, particularly if job roles or wage rates are linked to grade achievement. The allocation of grades may also prove to be difficult if the grades do not reflect the views of employers where those who do a good job are not always those that excel in standardised tests.

### **Cost of Implementing Grading in Apprenticeships**

Grading will inevitably mean more extensive testing and analysis of assessment which will mean time and money. All resources spent on analysis of assessment might result in less money targeted at training, assessment and learning. The infrastructure, appeals and analysis around establishing grading will be an expense that has to be outweighed by any positive impact on motivation of the apprentices. Clearly for every motivated apprentice who achieves a distinction there may be disappointment about a base pass. No one is suggesting that we should not encourage increasing

the drive for excellence but that process for analysing excellence is a much more difficult task when you compare apprentices in different roles in different workplaces.

## Options

There is clearly a benefit for some apprentices in striving for a level of excellence that is recognised externally. One option would be to create a standardised test that is an optional choice for the employer and apprentice. The achievement of the Apprenticeship standard would be established by the assessment process but each apprentice could take a standard test such as those developed for the skills competitions. This test could be graded and a distinction awarded if they reach a certain pass mark. Employers would have a choice as to how they use these scores internally.

## Summary

Fair and equal grading of competence based skills is very difficult. It may also lead to an expensive and complex system of management that does not justify the added motivation for some apprentices. Whilst some apprentices will be motivated by grades there may be many others for whom lower grades may mean devaluing the Apprenticeship achievement if the grading is not seen to be fair and standardised. There are other ways to introduce more opportunities for measuring excellence that could be adopted as an option for employers and it is important that employers are given a choice as to whether grading should be introduced to Apprenticeships.

# Minimum Duration

## Background

In October 2013 the Government published a paper called *The Future of Apprenticeships in England: Implementation Plan* which sets out a number of changes to the existing Apprenticeship Programme. The current Apprenticeship Programme is highly successful with over 800,000 apprentices on programme and over 500,000 starts each year. Success rates are very high and satisfaction ratings from employers and apprentices are the highest they have ever been.

## Minimum Duration

In 2011 the SFA introduced a requirement to have a minimum duration of 12 months for all Apprenticeships. At this time a number of Apprenticeships were completed in a shorter time than 12 months because some apprentices had prior knowledge of some of the required skills or were able to progress than the average apprentice. However there were some employers that believed that some people were completing their frameworks without the full knowledge and experience to operate as a fully competent employee. There was very little evidence produced to support the minimum duration and whether duration was a good determinant of quality. In fact many of the shorter duration frameworks were delivered by employers who had direct contracts or were delivered by providers on behalf of large employers.

As a result the SFA imposed a minimum 12 month duration although an exception could be made for those apprentices that had previous experience. There is currently no exception for learners aged 16 -19. Very few of the current apprentices finish their programmes in less than 12 months but the Implementation Plan proposals seek to remove these exceptions.

The existing minimum duration rules also point to the need to review all existing recommendations on programme length. Some existing frameworks have recommendation of say 2 or 3 years duration. Apprentices are able to finish a 2 year Apprenticeships early as these durations are recommendations or averages. It is not clear if the new Apprenticeship Standards will include recommended durations or whether there will be any requirement to meet those durations other than a minimum of 12 months.

## **Why Minimum Duration**

The Apprenticeship Programme combines work based experience with skills and knowledge acquisition. It is this combination that makes the Apprenticeship unique. There is some logic therefore to want to ensure that apprentices spend both time on the job as well as time learning. Pre determining how long someone should be on programme is understandable but moves us away from ensuring that the programme of learning contains what the learner and the employer needs and it lasts as long as required. Most programmes would indeed be 12 months or more but there would be scenarios where 12 months duration would not be appropriate.

## **Examples of Exceptions to the 12 Month Rule**

The current rules allow the programme to be completed early if the apprentice is over 19 when they have prior knowledge and experience or if they have completed some parts of the programme already. There are many reasons why this would be appropriate and where the apprentice and their employer would want to complete the programme in less than 12 months:

- Apprentice that has done a previous framework and is making a change of career but where there are some common elements
- Where an apprentice has an opportunity for promotion and needs to move to another role
- Where the apprentice can progress to a higher level Apprenticeship
- Where the apprentice has already achieved elements of the programme e.g. English and maths, units of the level 2 qualification
- To avoid holding back a very successful keen apprentice.

On these exceptions the employer would need to approve the early finish of the programme to ensure that this meets the employer demand.

## **Funding Implications**

Where an Apprenticeship Programme is finished early there may well need to be an adjustment to funding. The current system allow for these funding adjustments which could be applied under any new system for funding.

## **Summary**

To ensure the Apprenticeship programme is responsive to employer and learner needs there should continue to be exceptions to the 12 months minimum durations. Funding adjustments may have to be made and any exceptions should be approved by the employer.

# **Off-the-Job Training**

## **The Definition of Training in the New Standards**

The classification of what is on the job or off-the-job training is very difficult. Countless studies have reviewed this issue and the general conclusion is that training and learning is a process that is difficult to define in terms of physical processes and locations. However the concept of giving apprentices opportunities to learn in different environments and circumstances is well understood by training providers. The satisfaction levels of apprentices when it comes to their learning and relevance to the job is very high. However when apprentices are asked about whether they have done 'off the job' training their answers may be negative because they see their whole work location as part of their job location. The sweeping statement that 'we know that many apprentices do not receive real opportunities to learn outside their jobs' needs careful analysis.

The proposal in the Implementation Plan is that the 'amount of off-the-job training mandated will be a minimum of 20% or equivalent'. There is no definition of what constitutes off-the-job training other than a reference to the ASCL Act (2009) which defines off-the-job training as that which is not on-the-job. It is also made clear that off-the-job can be on or off site. In previous definitions off-the-job has tended to be defined as away from the work station but clearly there is some judgement required to manage this issue. An apprentice could be at his or her work station but being coached or trained on a task that is not one of their normal work processes. This is a perfect example where the learning is different from the day to day operation but location is not the key issue. On the other hand we do want to encourage the apprentice to have experiences or share discussions with other apprentices, staff and managers that they may not get in their normal course of work. We have to preserve a flexible approach to the tracking and management of the off-the-job elements.

## **Measuring the 20% off-the job**

We assume that the 20% measure is of the time spent on off-the-job training. This sounds a simple concept but anyone that has been involved in delivering Apprenticeships knows that this will not be

a simple measure. Many apprentices have work schedules that are not based on normal 37.5 hour weeks. We assume that the measurement of time will be an average across the whole programme because training programmes have to be adapted to meet the employer and apprentice needs so much of the off-the-job might be at the beginning of the programme. Similarly it is not clear which training will be included in the 20% but we assume all elements of the training including those additional elements provided by the employer will be included.

It is clear that the learning for any programme such as an Apprenticeship comes from all the activities the learner is involved in including those that do not involve the training provider. If programmes are to be more integrated with employers' activities then these need to be included in that analysis. We would also highlight that some off-the-job training takes place outside normal paid working hours. Although this type of additional work is optional many apprentices learn a lot outside of normal working hours and this must be included in the analysis.

### **Auditing the Off-the-job Training**

We have set out the issues of defining, measuring and tracking off-the-job training and therefore it needs to be very clear how this will be audited. With the drive to bring more flexibility to the delivery models of Apprenticeship and give employers more opportunity to determine how they want the training to be delivered we must ensure that auditors do not determine what and how training is delivered. If strict rules are applied to what is included in off-the-job training and these rules are applied by a variety of auditors around the country then we will have lost the opportunity to give employers the influence over more effective delivery models.

E-learning methodologies will be increasingly important and it will be essential that these are encouraged as part of the off-the-job learning processes set out in the plan.

### **Summary**

All providers understand that different environments are important to maximise the learning opportunities for apprentices. Defining off-the-job training is clearly a difficult task and we would not want to allow an auditing process to drive the delivery of Apprenticeships. Training providers working in partnership with employers must maximise the learning on programme and opportunities to learn and practise skills and knowledge away from the day to day job will continue to be essential.

## **Apprenticeship Reforms – Funding Proposals**

In the Autumn Statement the Government announced that it will develop a model of funding which 'uses HMRC systems to route funding directly to employers'. They also announced that there will be a technical consultation to ensure that this can be implemented in a way that is simple and accessible for employers, does not impose undue costs and minimises barriers to take up'.

## HMRC Systems

There are a number of HMRC systems that could be utilised including PAYE and tax credits. Doug Richard favoured the use of tax credits such as that used to support R & D expenditure. We have assumed that all of the possible options will be considered in the review. The experience of the R&D system is that a majority of the tax credits claimed has been through large employers who have the infrastructure to manage the system. The initial reaction to using the PAYE system from some small employers is that many outsource the payroll management and have concerns about using the PAYE system for payment of Apprenticeship funding.

## Compulsory Cash Contributions

Employers will have to make a compulsory cash contribution for a 'significant' proportion of the external apprenticeship training costs. It is not clear what proportion 'significant' will be but 30% was used in an earlier model. It is also not clear if this has to be made to an external organisation that is registered with the SFA or whether internal costs will be included for those employers that deliver their own programmes. The Government is also excluding English and maths from these contributions although it is not clear how English and maths will be funded. Doug Richard recommended that they should be fully funded and paid directly to the training provider.

The Government will also provide an additional contribution to 16 and 17 year olds because of the additional support required but it is not clear whether there will still need to be cash contributions or whether that will mean the Government will 'fully fund' the programme for these young people. The Government is also considering whether there will be any additional contributions for those aged 18. It is not clear if any additional funding will be provided only whilst the young people are aged 16, 17, and 18 at the start of the programme or for the whole time they are on the programme. There is clearly a risk of lower levels of investment in this cohort of apprentices where we have already seen a reduction in numbers over the last 2 years.

## Caps on Contributions

The amount that the Government will be prepared to contribute will be 'capped' for the different Apprenticeship standards. It is not clear how many bands of funding or whether each standard will have a different cap or how the caps will be decided. In the past this has been based on the cost of delivery but it may now also include an allowance for priority sectors. At present the funding levels are also adjusted for area costs, large employers and learners aged 25+. There are also a range of additional payments for learning support and learner support which are designed for learners most in need of support for English and maths for example.

## Alternative Route for 'smallest businesses'

The consultation process will look specifically as to whether there needs to be an alternative simplified funding route for the smallest businesses. This reflects the fact that in a number of surveys small businesses say that they do not want to get involved in funding management systems because it is not their core business and they would look to out-source that activity. This does not just apply to small businesses but many employers only employ 1 or 2 apprentices at any one time

and would see this management tasks as a barrier to getting involved. A recent BIS survey said that 'most often employers had just one apprentice (25%). Our definition of smallest must include those businesses that only have 1 or 2 apprentices.

## **Employer contributions to Apprenticeship**

The Government has also recognised that employers make significant contributions to the total cost of the Apprenticeship including the recruitment, payment of wages and providing management and support. The cost of the training is a minor part of the real cost of the training. The statement says that only 11% of employers are making a cash contribution to the training costs but the latest survey suggests that this figure is 22% with some sectors are over 35%. This suggests that as the Government funding has reduced over the last few years the employers are making a contribution but this does vary by sector and level.

# **Conclusions**

## **Framework Changes**

AELP has established a Steering Group of training providers to coordinate input to the Trailblazer projects and to provide input to the policy discussions as they progress. The Joint Apprenticeship unit of BIS are running Trailblazer workshops to bring the different groups of employers together and AELP are members of this working group. The Steering Committee will initiate some further research to review the impact of the framework and funding changes which will be commissioned before the end of the year and reporting at the end of January/beginning of February. A conference will be held in February to discuss the initial results of the Trailblazers and research.

## **AELP Recommendations**

AELP supports a programme of change which builds on the success of the Apprenticeship Programme. We have set out the key changes which we believe will make a difference to the take up and quality of the programme.

- Improve the availability of information on Apprenticeship to individuals and employers
- Support training providers to develop their recruitment activities
- Improve the availability of careers services in schools including National Careers Services
- Provide specialist programmes for those young people that need specialist support to get through the Apprenticeship application process
- Fully fund all apprentices who are unemployed at the start of their programmes

- Fully fund all English and maths provision within Apprenticeship
- Encourage more employers to make financial contributions and track and monitor non financial contributions
- Simplify the current funding systems
- Increase the focus on employer engagement through Ofsted inspections

### **Next Steps**

AELP will continue to lobby for changes that will encourage more employers to get involved in the Apprenticeship Programme and to argue against those proposals such as compulsory contributions that will become a barrier to entry.



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