

A stylized illustration on the left side of the cover. It features a black hand at the top holding a large, dark grey key. The key has a long, thin shaft and a circular head. At the bottom of the key's shaft, there are two interlocking rings. A yellow hand is shown at the bottom, reaching up towards the rings. The entire illustration is set against a solid blue background.

Report from the

Independent Apprenticeship Policy Group

on a long-term vision
for apprenticeships

February 2020





Our inquiry

The Independent Apprenticeship Policy Group (IAPG) was brought together to explore the apprenticeship system in England. We set out with a firm belief in the success of the current system but as the most recent reforms bed down we wanted to ensure the system remains fit for the future and continues to unlock talent and meet skills and productivity needs.

The 13 recommendations made in the report are based on the expertise and vast experience of 15 IAPG members, and existing evidence and research.



Recommendations

We know that significant social and economic trends are taking shape which are having a material impact on jobs and skills needs both in the UK and globally.

Apprenticeships play a significant part in unlocking talent at an individual level, in businesses and more broadly in supporting the industrial and economic strategies of government. They support new and existing employees, and are available to support employees at all levels. The system is inclusive and successful but to remain a competitive economy in the coming years, the apprenticeship system will need to evolve so we can be prepared for the future.

This report is based on three major themes; building a sustainable system, supporting all individuals to engage and succeed, and measuring success in meeting skills and productivity needs. Based on the discussions and evidence from the IAPG, addressing these should help us build a sustainable apprenticeship system that unlocks talent and supports the future economy.



1. Building a sustainable apprenticeship system to unlock talent and meet skills needs in a changing economy

1.1 Setting a structure for a sustainable system

Whilst the apprenticeship budget now available through the levy provides a significant boost to employer investment in training, the success of the apprenticeship programme means that the current budget available is not enough to support the demands being made on the system.

Decisions on apprenticeship spend should remain employer-led, but within a structure of incentives set by government, and agreed between government and employers, to create a sustainable system that reflects the broader needs of the economy.



1.2 Regional talent and skills

The pattern of economic growth and skills shortages varies considerably across the regions of England. If the apprenticeship programme is to contribute to tackling these shortages to increase prosperity in different areas, the provision of training programmes will need to adapt to local and regional circumstances.

City regions and Mayors, working closely with employers and other stakeholders, could usefully project and plan for skills shortages and direct investment in apprenticeships where it is needed most to support sustainable regional and local economies.



1.3 Small and medium-sized enterprises

The engagement of small and medium enterprises (SMEs) is essential to economic prosperity. Failing to engage SMEs will mean that thousands of potential apprenticeship vacancies do not materialise, which could reduce the productivity of these firms as well as limit the opportunities available to the individuals that work within them.

Adequate investment needs to be made available for SMEs, preferably through additional financing from government.



2. Supporting individuals to engage and succeed

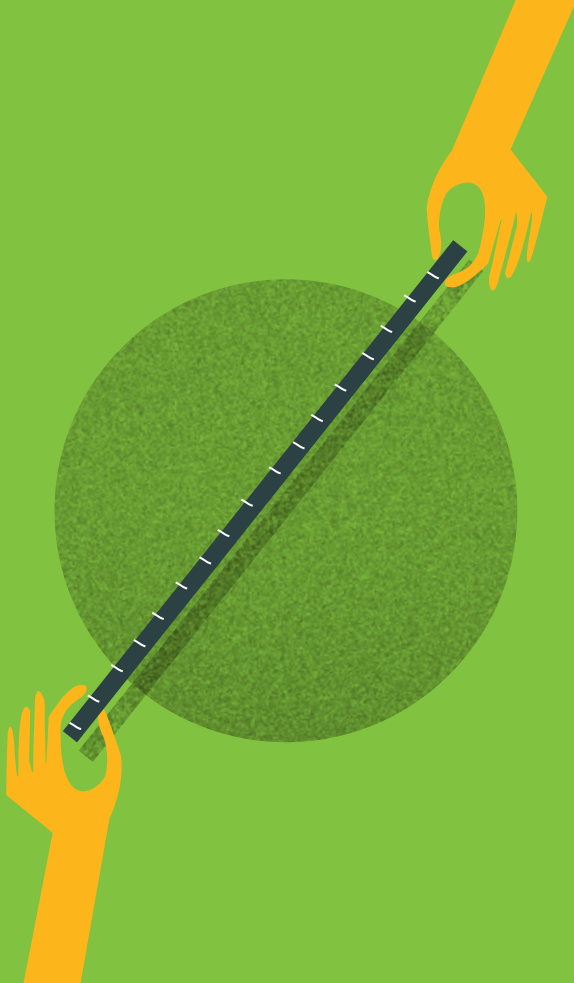
2.1 Access

More young people, typically Gen Z, are interested in exploring all the options open to them including those thought of as less 'traditional' yet providers are still struggling to gain access to pupils in secondary schools to promote apprenticeships.

More should be done to guarantee that young people receive independent and impartial advice and guidance about their career options, including apprenticeships.

We have also seen a noticeable reduction in the proportion of apprenticeships delivered to young people since the introduction of the levy and the new funding model.

Apprenticeships are a valuable option for many young people and to reverse this trend we suggest that investment in 16-19 year-olds apprentices should be in line with the investment in other young people following the raising of the participation age to 18.





2.3 Fit-for-purpose assessment

The IAPG supports the need for ‘independence’ in the assessment process however, the sustainability of the assessor model is a potential issue.

The recruitment of independent assessors needs to be addressed if end-point assessment (EPA) is to grow sufficiently to meet forecast demand. The Institute for Apprenticeships and Technical Education (IfATE) could usefully work with sector bodies and assessment experts to explore a model that allows for sector body and in-house employer expertise in assessment judgements.

To maintain trust, the overarching quality assurance of apprenticeship assessment is critical. At the time of writing, 20 different external quality assurance (EQA) bodies are responsible for varying numbers of standards and the system is fragmented and complex.

To maintain high and consistent standards a simpler, consistent and more cost-effective model is needed. One regulator, working closely with the relevant sector and professional bodies, needs to have overall responsibility for external quality assurance functions.



2.4 Progression

Although much of the political focus is understandably on the recruitment of apprentices, progression should be a central feature of apprenticeships policy.

The way the data is captured needs to be refined, and individuals need to be put at the heart of how progression is understood. The definition of progression needs to be a broad one and take account of what progression might look like for the individual.

To support progression, the apprenticeship 'brand' must be valued by learners and employers as well as parents and educators and give individuals a valuable portable and recognised currency.

The place and role of externally certified qualifications within an apprenticeship needs to be clarified by sector.



3. Measuring success in meeting skills and productivity needs

Apprenticeships are widely acknowledged to be a key driver of meeting skills needs and driving up productivity. However, it is not wholly clear how these productivity gains are best captured and recorded in the longer-term.

HM Treasury should consult with employers, providers and academics about how best to measure productivity gains in the longer-term. This should include but not be limited to measures of progression and can be used to inform investment in future apprenticeships.



Members of the Independent Apprenticeship Policy Group

The IAPG was launched in June 2019. We held six sessions with 15 IAPG members from June to December 2019.

We took the questions being raised to the Liberal Democrats Party Conference where we heard from Vince Cable, and to the Conservative Party Conference where we were joined by Gillian Keegan MP and Co-Chair of the All Party Parliamentary Group on Apprenticeships. Panel members included Neil Carmichael, Chair, Independent Apprenticeship Policy Group; Matthew Fell, Chief UK Policy Director - Executive Committee, CBI; Cindy Rampersaud, Senior Vice President, Pearson UK; and Will Smith, Public Affairs Manager, Chartered Management Institute.

We are extremely grateful to everyone who contributed to this inquiry and offered their thoughts, their vast expertise. We would also like to acknowledge our thanks to CITB for input from their evidence base.

