



Pearson

Pearson Consultation response

Sub-committee on education, skills and the economy inquiry

Apprenticeships

18 March 2016

Introduction

Pearson welcomes the opportunity to contribute to the inquiry and call for evidence from the Sub-committee on Education, Skills and the Economy into the current reform of Apprenticeships. As the reform gathers pace it is opportune to review progress so far, consider the impact on future apprentices, whether the elements included within the programme will deliver world class outcomes and the ambitions as set out in the Government's 2020 vision.

As a major international and UK education company, Pearson's mission is to help people make progress in their lives through learning. Apprenticeships are clearly one of the most effective means of developing a learner's skills and knowledge within the workplace and allowing progress in an individual's chosen occupation or profession. We are one of the largest suppliers of qualifications and assessments that make up the current Apprenticeship frameworks and have been deeply engaged with the work of the 'Trailblazers' across a range of sectors and occupations. Indeed apprentices have already started on four of the Trailblazer standards where we will be supplying qualifications and independent assessment services for the end-point assessment.

The vision to increase the quality, value and recognition of Apprenticeships is something we would fully support. We also consider that employers need to be at the heart of the development of any apprenticeship programme. However, there are elements of the current reform programme which require detailed scrutiny to ensure that the outcomes desired will be fully achieved.

We have made 8 recommendations covering the scope of the Inquiry and have responded to each area.

Pearson recommendations

1. The ambition for 3 million apprenticeships starts by 2020 should not be the only ambition expressed. The inclusion of achievement or success rate should also be a key indicator.
2. Consideration should be given to extending the Apprenticeship Levy to a Skills Levy where employers are able to select the training and qualifications that most closely meet their needs and skills gaps.
3. The full detail of the remit, powers and responsibilities of the Institute should be made available as soon as possible. It should engage closely with the organisations that will ensure quality of delivery and assessment.
4. Consideration needs to be given to strengthening the role of the National Careers Service to champion the value and opportunities that Apprenticeships provide.
5. Consideration to be given to strengthening the role of National Apprenticeship Service to ensure the routes to an Apprenticeship are simple, clear and accessible
6. Greater engagement with higher education institutes to ensure progression opportunities are embedded and Apprenticeship achievement at all levels is credited appropriately.
7. Greater engagement from established assessment organisations to ensure the robustness of outcomes (e.g. validity, reliability, comparability, transferability) and that an Apprenticeship achieved demonstrates appropriate demand and rigour as well as being inclusive and empowering.
8. The Sub-committee may wish to review the Pearson commissioned University of Derby report into world-class apprenticeship standards which is due to be published shortly.

Three Million Apprenticeships by 2020

1.1 - We fully support the increase in the number of Apprenticeship starts but more importantly, it is achievement or success which gives a clearer indication of the efficacy of any programme. The achievement of an Apprenticeship will allow for progression opportunities for the learner and the potential for increased productivity for the employer. There have been fluctuations in both start and achievement rates over the last three years but while the start rate in 2014/15 has risen by 14 percentage points for the first time in three years, the success rate has only risen by 1%.

1.2 - The setting of a target figure, in this case 3 million, is a challenging, and one where we need to ensure the quality of provision is also a key focus; historically significant expansion presents significant risk in terms of securing quality in equal measure. The quality of any programme should be the key factor and not the number of people who participate in it.



Pearson

1.3 - The Trailblazer initiative has seen significant and most welcome employer engagement in the design of standards and assessment but with this engagement, and the focus on specific occupations rather than sectors, there is a danger that this will lead to proliferation which may in turn lead to a confusing landscape for the learner and the employer. Many small or medium enterprises require a broader set of skills and knowledge to enable their business to function effectively.

1.4 - The transition from SASE defined Apprenticeships to the new Apprenticeship regime requires detailed modelling to ensure a planned and quality-driven programme. The imposition of the Apprenticeship Levy from March 2017 may well create increased demand for Apprenticeship provision and, while this transition phase remains unclear, this has the potential to create confusion for both potential apprentices and employers.

1.5 - There are varying definition of the 'skills gap' with most commentators seeing this at technician level or higher. The current Apprenticeship programme has seen a welcome, if limited, increase in these higher levels but the majority of Apprenticeships are of a lower level. If the target of 3 million is the determiner of success then these lower and valuable levels will need to continue to increase which will do little to close the higher skills gaps.

1.6 - There is also a risk that the introduction of the Levy will focus attention on those employers subject to the tax. SMEs provide the majority of current Apprenticeship places and greater consideration needs to be given to their continued engagement with the programme.

The Apprenticeship Levy

2.1 - We would agree that employers should contribute financially to any in-work programme of learning except in those cases where a learner may not have achieved a national minimum standard in, for example, maths or English. Apprenticeships have been shown to contribute significantly to the economic returns for the learner and the employer¹ and as such, it is fair that employers, and learners, through a reduced wage, contribute to this. It is also appropriate for 'smaller' businesses to contribute less and be eligible for incentives to recruit apprentices.

2.2 - The introduction of the Apprenticeship Levy at 0.5% of an employer's pay bill where this is over £3 million annually will certainly increase the likelihood of larger employers engaging with Apprenticeships and by so doing support the numerical target set out by government. However, this may come at the expense of other critical training for the employer and the learner and lead to the unintended consequence of learners being put on inappropriate apprenticeship programmes for them and the company. It is also appears unlikely to support in any significant way the drive to increase the gap in skills at higher levels.

¹ BIS Research Paper 228 – Measuring the Net Present Value of Further Education – June 2015

2.3 - There is still much to unpack in terms of how the Levy will function. It must, however, be simple for businesses to operate, lead to qualitative not simply quantitative outcomes and allow flexibility for large employers (for example, unspent levy funds can be used within the large employer supply chain).

2.4 - There is also a danger that the introduction of the Levy will focus attention on those employers subject to the tax. SMEs provide the majority of current Apprenticeship places and greater consideration needs to be given to their continued and increased engagement with the programme.

The Institute for Apprenticeships

3.1 - The creation of the Institute is a welcome development. Clear and stable governance of the new Apprenticeship system needs to be established with some urgency. The creation of Trailblazers and the development of standards and assessment approaches has to this point been challenging. Employers engaged with the development have been enthusiastic contributors but the constant changes in and amendments to requirements has led to an element of disenchantment and disengagement.

3.2 - A central body with overarching responsibility for ensuring that quality, reliability and comparability is maintained in standards and assessments, that proliferation is avoided and that employers remain 'in charge' of the system is a pre-requisite for the development of an efficient, effective, responsive and respected Apprenticeship system.

3.3 - The detail of how the Institute will discharge its responsibilities has yet to be published and it is of concern that there is little time before it is due to take up this pivotal role. The introduction of the Levy and the formal establishment of the Institute are programmed to occur at the same time. This creates the risk of introducing systems (the Digital Apprenticeship Service), which have yet to be tested, with untried governance arrangements.

3.4 - We would support the concept that the body should be employer led or owned but in order for it to meet its wide-ranging remit and to avoid duplication and complexity, it will need to work closely with a range of organisations including, for example, Ofqual, Ofsted, assessment organisations and training providers.

3.5 - After a period of time, it may also be appropriate for the Institute to consider the routes into and beyond Apprenticeships through the technical and professional education or Traineeship pathways.

16 – 19 Apprenticeship take up

4.1 - The number of 16-19 year olds embarking on an Apprenticeship has remained stubbornly low with starts in the other age groups (19-24 and 24+) providing the vast majority of places². This is despite the incentives (e.g. the Employer Age Grant) available to employers to recruit from this cohort. There is no one reason for this but the lack of a coherent and comprehensive careers service, perverse funding

² House of Commons Briefing Paper No 06113, January 2015

arrangements for schools and the suitability of this age range to start an Apprenticeship are among the reasons for the situation.

4.2 - There is a confusing array of different agencies and initiatives delivering careers advice to young people. The well-trod academic route is one that is well established and understood by young people, teachers, parents and carers and the general public. The lack of a coherent technical and professional pathway does not currently exist for this age group although the full time College programmes do offer a well-known and respected alternative into both higher education and work.

4.3 - The creation of the Careers and Enterprise Company and the recent announcement of an extra £70m to support mentoring are welcome. Careful consideration needs to be made on how this Company, will interact and work with the National Careers Service. There is a risk that the introduction of new initiatives, although welcome confuse the landscape and do not therefore realise the impact we would all welcome.

4.4 – We welcome the recent announcement from the Secretary of State for Education that legislation will be introduced to ensure schools work with colleges and other providers to make learners aware of all the career options open to them. This will contribute to improving the much needed independent careers advice available to 16-19 year olds and thereby improving the awareness of the Apprenticeship route.

The Apprenticeship Application Process

5.1 - The process of applying for an apprenticeship needs to be attractive, straightforward and intuitive in order to remove any barriers for potential apprentices. There are a number of independent Apprenticeship recruitment services in operation which are run by a range of organisations which sit alongside the primary 'Find an Apprenticeship Service' operated by the National Apprenticeship Service (NAS). While this may provide choice, again we need to ensure these services are clear for potential apprentices, and those providing advice and guidance to them.

5.2 - Investment in the Service operated by NAS would be appropriate to increase its appeal, breadth and build upon the Apprenticeship brand. It would seem more suited for this to be hosted on a separate website and not on the gov.uk wireframe. In addition, it would be appropriate for NAS to engage more closely with partners, particularly the newly formed Careers and Enterprise Company, to enable the offer of a more comprehensive end-to-end service. The Apprenticeship reform may present the opportunity to establish a comprehensive UCAS-style application process.

Routes for progression to higher qualifications

6.1 - Progression routes are critical to the success of an Apprenticeship scheme as these are clear and visible signs that the Apprenticeship route is one of long-term career development and not a short-term opportunity.



Pearson

6.2 - Current Apprenticeship frameworks allow for this progression and the new Trailblazers include the opportunity for progression as a requirement. The development of Degree Apprenticeships is a welcome addition to the Apprenticeship offer and it is pleasing to see HE engagement with this initiative.

6.3 - There has been a long-standing reticence from Higher Education institutes to engage fully with the non-academic pathway although there is increasing evidence that a mix of academic and vocational qualifications such as BTECs are being utilised by learners and accepted by HE.

6.4 - In the current Apprenticeship reform, employer groups have been encouraged to omit formal qualifications from the Apprenticeship make up and focus exclusively on the end point assessment to provide the final measure of success. While we would agree that apprentices should be able to provide evidence of their mastery at the end of their apprenticeship, we question whether by omitting formal qualifications within their programme of study, learners will receive the recognition outside of the employer network. There has been, as yet, no indication as to whether Higher Education institutes will accept this certification as meeting the entry requirements for under or post graduate study.

Quality and enforcement of minimum standards

7.1 - The key to ensuring the esteem, recognition and value of an Apprenticeship scheme to employers, potential applicants and the general public lies in the quality of the standards, their delivery and the robustness of assessment. The number of apprentices on programme will not, on its own, determine the overall perception.

7.2 - It is right that employers should define the standards that they believe are appropriate to the occupations they have identified. It is also right that they play a significant part in the design of valid and reliable assessment regimes. However, there has been reluctance from government to encourage employer groups to engage with organisations which have assessment expertise. This has led to situations where assessments proposed and accepted may lead to unreliable results or present challenges to SMEs in terms of delivery. We would welcome the opportunity of working more closely with employer groups to support assessment design.

7.3 - Pearson prides itself on its assessment across a range of different regimes and, together with our innovative approaches and use of technology. We would welcome the opportunity to share our expertise and get involved in further assessment design.

7.4 - From the limited information available the Institute for Apprenticeships will lead on the quality aspect but it yet to be clarified how this will happen and what measures will be introduced to ensure the maintenance of standards and comparability within and across apprenticeships. It is also unclear how the Institute will assess the quality of the end-point assessment for each Apprenticeship as outlined in the Enterprise Bill. It is also unclear how the work of this new body either compliments or overlaps with Ofqual and potentially Ofsted. We look forward to more information on these areas and we also welcome the opportunity of working with the Institute.

Lessons from other countries

8.1 - Pearson has for some years carried out a world class qualifications programme led by Sir Michael Barber and a team of world experts³. This programme is designed to ensure that the qualifications or assessment services we produce, including Apprenticeships, fully meet the needs of all learners and other end users. The four design principles for this are based on the need for all qualifications or assessments to be demanding, rigorous, inclusive and empowering. The services that we will produce for the new Apprenticeship programme for England will be measured against these design principles.

8.2 - As part of this process, we commissioned the University of Derby to undertake research on our behalf into world-class apprenticeship standards. The aim of this was to identify these standards and consider how these could be applied to the English system. The report, due to be published in the very near future, interviewed experts from seven international experts as well as undertaking in depth research into global apprenticeship systems. Thirteen indicators were identified through the research and have been divided into four main sub-sections – training, skills and expertise, recognition and progression. Each then identifies what current practice looks like and how this could be made world-class.

8.3 - There is much that can be learned from apprenticeship systems round the world, even if there is never a perfect 'off the shelf' option that can be lifted from one country and then applied in another. This research has given further insight into our desire to ensure that Apprenticeships in England are truly world-class or are, at least, moving in that direction.

8.4 - The full report will be shared with the Sub-committee when available.

³ Pearson World Class Qualifications - WCQ