

# Ready for Apprenticeship reform?

How prepared are providers and employers to meet the challenges of the Apprenticeship reforms?  
**Dorothy Lepkowska** looks at the latest research findings

**A**pprenticeships are undergoing their biggest reform in decades. Ministers have set an ambitious target of three million Apprenticeships by 2020, with delivery starting in May next year. The reforms aim to simplify funding, engage employers in the development of standards, offer more flexibility and engagement with employers, increase quality, and include the introduction of an Apprenticeship Levy for businesses with a wage bill larger than £3 million.

But how prepared are providers and employers to meet the timescale – and what do they think of the changes?

A joint report from the National Foundation for Educational Research (NFER) and the Association of Employment and Learning Providers (AELP), – *Providing for the Future: Providers' views on Apprenticeship reform* – examined in depth the views of 15 Apprenticeships providers to find out. Twelve were independent training providers (ITPs), one was a further education college, and two were other types of organisations providing Apprenticeships.

The research took place before more recent announcements on the future of Apprenticeships were made at the end of summer and in the early autumn. These included an additional £60 million of support for disadvantaged areas, a 20 per cent increase in levels of funding for standards for 16 to 18-year-olds, and the introduction of a large-scale scheme to increase the capacity to deliver independent end-point assessment (EPA) in Apprenticeships.

On the question of how well-informed providers were, the 15 interviewees said their organisations were as ready as they could be given the information available. One provider put it particularly succinctly: "I am as well-informed as anyone but I don't know what's going on."

Providers said they accepted that the reforms placed employers at the centre of the new Apprenticeship system and had taken it upon themselves to educate employers about the changes.

However, planning was proving difficult because the rate of release of information from the government was slow, which in turn made engagement with employers "slower and more time-consuming than usual".

Despite this, many were being proactive and holding discussions or staging events to raise awareness. One provider, who worked with 40 companies, said: "It is amazing how many don't see this coming down the line – 38 did not know it (reform) is coming."

Perceptions of the Apprenticeship Levy, meanwhile, were mixed. Providers noted that many employers had not engaged in the details of the Levy and what it would mean for them. Some observed that employers considered it a "tax", while others thought it complicated the system and hoped providers would "deal with the bureaucracy" for them.

On the other hand, several providers viewed the Levy as an opportunity because it could result in some of their larger clients having an increased budget. Additionally, they thought that some larger companies who have previously not employed apprentices at all might now engage with Apprenticeships.

While cognisant of the fact that many standards have not yet been developed, some providers said they were concerned about the lack of qualifications in many standards, and the lack of skills portability and transferability for individual apprentices. These had often been valued more highly by employers and learners than Apprenticeships achievement itself.

Their views on the quality of standards also varied. Some providers thought that the involvement of employers through trailblazers meant that specific skills requirements and competence levels would be met.

However, other providers thought that the content of standards was too specific to the relatively small number of large employers that had been involved in their development and so would be less useful to the wider occupational sector.

One said: "The usual suspects, the big boys, continue to set the agenda. I worry about fitness for purpose for smaller employers."

There were also fears that standards were too brief and could be open to wide-ranging interpretation that might impact negatively on their reputation over time. The ability to negotiate rates for funding, rather than centrally fixing rates, led to concerns that employers will negotiate prices down "to levels that would not support high-quality provision", the report said.

Providers were particularly concerned about the lack of information and understanding of the EPAs, or how this would work, how much it would cost and how quality would be monitored.

"We're happy with the standard but the assessment is not available yet and the funding has not been confirmed which is disappointing, not having all the component parts. This means we can't talk to employers in a meaningful way," one interviewee told researchers.

Some warned that the strong emphasis on EPA would lead to "training to the test". Interviewees said broad standards, poor quality assurance of EPAs and negotiated pricing could all drive down quality – a key point when the EPA is the final decision on whether or not an Apprenticeship has been completed successfully.

The balance between supply and demand of suitable Apprenticeships was another concern for providers, though the report found that young people and their parents were becoming increasingly aware of Apprenticeships, and schools were increasingly promoting them as a viable option for school-leavers.

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However, some employers continued to be reluctant to engage in discussion about Apprenticeships, partly due to the lack of information. Providers warned this could lead to reduced opportunities for young people at a time when demand was rising, and a lack of funding meant that 16 to 18-year-olds might not have access to the Apprenticeships they wanted.

But despite the challenges, there was acknowledgement that awareness of Apprenticeships had increased and that employers could select which providers to use, which added to transparency.

Other benefits mentioned included increased funding for maths, English and STEM subjects, the opportunities offered by the levy, and the increase in degree-level Apprenticeships that offered a real alternative to university.

At the same time, providers suggested increased training for employers and providers to make the new system work, enforcing qualifications as part of EPAs, piloting the new standards, and more funding for small and medium businesses.

They also wanted ring-fencing of funding for young people up to the age of 18. As one provider said: "16 to 18-year-olds will be blocked out. They should be funded fully until 18-years-old. They are receiving no careers advice and are rushing into things".

The report said the findings "reflect the changing provider role and that their ways of working have to change in order to bring employers with them".

But it went on: "To do this requires hard information and clarity. Strategic decision-making in a context of policy uncertainty is putting considerable strain on the provider market, without which quality Apprenticeships will not be delivered in the quantity that employers and the economy requires."

The report said there continued to be "significant challenges ahead" if the reforms were to result in high-quality Apprenticeships that offered real value to apprentices, employers and the UK economy.

David Sims, a research director at NFER who led the research project, said: "NFER is always concerned that education policy and practice should be informed by evidence. On this occasion the evidence suggests that, at least for some Apprenticeship providers, they are missing key information about these major



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reforms, including costs. This is limiting their ability to prepare for the government's given deadline and to engage with employers about the reforms as fully as they would wish."

Mark Dawe, CEO of the AELP, said: "Providers need clarity and more detail to help them and their employers to strategically plan their future Apprenticeship provision. The government's October announcements may now have given them enough information but the research findings

certainly confirm how significant the gaps in required knowledge have been at such a critical juncture of the reform process."

• Dorothy Lepkowska is a freelance education journalist.

#### Further information

The report, *Providing for the Future: Providers' views on Apprenticeship reform* can be found at [www.nfer.ac.uk/publications/APPE01](http://www.nfer.ac.uk/publications/APPE01)

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