

Apprenticeships, Skills, Children and Learning Bill

Memorandum for Their Lordships submitted by the Association of Learning Providers

Introduction

The Association of Learning Providers (ALP) is the leading representative organisation for independent vocational and work-based learning providers in Britain. The majority of its 470 members are private, not-for-profit or voluntary sector training organisations delivering education, skills and employment programmes on behalf of government. Membership is open to any provider committed to quality vocational learning and it includes 60 further education colleges involved in work based learning.

ALP members train at least 70% of apprentices in England and the Association was pleased to offer oral evidence to the Commons select committees when the draft Apprenticeships, Skills, Children and Learning Bill was presented to Parliament last year. As we said then, we welcome the Bill's intent to place Apprenticeships on a statutory footing.

We are also grateful to the Economics Affairs Committee for its interest in Apprenticeships during the 2007-08 Session and for the extremely helpful set of recommendations made in its report last July.

The purpose of this memorandum is to highlight areas where the Bill and the Government's reform of the 14-19 curriculum could secure further improvements and avoid the pitfalls that have plagued efforts to promote vocational learning in this country in recent decades.

In particular, ALP stresses:

- the need for all pupils of all abilities in schools to be given impartial information, advice and guidance on Apprenticeships (clause 35); and
- our total opposition to the introduction of mandatory 'off-workstation' training as part of the specification of Apprenticeship standards for England and to setting any minimum number of associated Guided Learning Hours (GLH) for this, be it 250, or worse still 280 hours (clause 25).

ALP has comments on the following clauses.

Clauses 1 and 30 – Definition of 'Apprenticeship agreement' as paid employment

ALP is concerned that the Bill, if enacted as drafted, represents a significant reduction in the opportunities that Apprenticeships represent for young people who have not achieved their full potential at school.

We are particularly concerned that apprenticeship will be restricted to those who are in paid employment, a change from the existing position. We believe that this will further disadvantage the very young people who, long experience shows, can benefit most from a work based apprenticeship. We believe that an unwelcome consequence will be that apprenticeship numbers fall, as current apprentices who are in employment but not being paid by means of an employment contract with that employer are removed from published data. The number of such unpaid apprentices in learning is unknown, but is likely to be in excess of 12,000.

We are further concerned that, by introducing a compulsory requirement to be paid at a time when employers are experiencing significant pressure on costs, removing *work based programme led apprenticeships (PLAs)* will frustrate the government's intention of providing more opportunities for apprentices, particularly those currently under represented in the apprentice cohort.

The particular clauses of concern are:

- 1 (5) states that “Regulations may make provision for alternative English completion conditions to apply in cases where a person works otherwise than under an English apprenticeship agreement”;
- and (6) goes on to describe these as including “otherwise than for reward” which we take to mean “not paid” and therefore a category that includes all PLAs.

Logically then, those working “otherwise than for reward”, i.e. in PLAs, can therefore complete an apprenticeship but cannot work under an apprenticeship agreement. Thus they would not be apprentices. This would mean a PLA would not deliver their “election for apprenticeship”, (previously referred to a young person’s “entitlement to an apprenticeship”) and presumably would not be funded as apprentices.

The same issue is relevant to Clause 30 (2) (a). If the wording “that a person undertakes to work for another under the agreement” is interpreted as being only through a paid employment relationship, it will remove opportunities for apprentices, currently defined as work based programme led apprentices, who are learning in the workplace in exactly the same circumstances leading to exactly the same qualifications as paid apprentices, but who are not paid.

This route is particularly relevant for disadvantaged young people who employers are reluctant to employ as a consequence of their past record not their current ability.

Further clarification, for example, of the validity of apprenticeship for those who are working “otherwise than for reward” or better, a clear statement on the validity and importance of work based programme led apprenticeships, would address this concern.

Clause 25 – Specification of Apprenticeship standards

The Government has been consulting on the specification of Apprenticeship standards for England (SASE). In ALP’s response, we have stated our total opposition to the introduction of mandatory ‘off-workstation’ training and to setting any minimum number of associated Guided Learning Hours (GLH) for this, be it 250, or worse still 280 hours.

To impose this requirement on all Apprenticeship frameworks would lead to the complete wipe-out of Apprenticeships in many sectors, especially some of the newer service sectors. The requirement would place a straitjacket on the programme which would not give sufficient flexibility to employers to meet their particular sectoral and occupational needs. ALP has consulted widely with its members and other interested parties and we can find no support for such a rigid proposal which would limit the opportunity for the Apprenticeship programme to be delivered to meet the needs of employers - currently its very strength.

We would also be concerned if proposals to set minimum entry requirements came in the form of specific qualifications. This would render Apprenticeships inaccessible for many young people, and in particular for those who are, or are in danger of becoming NEET. These young people have turned their back on the traditional academic route – gaining

qualifications at school or college - and to make those very qualifications a requirement to enter their preferred, vocational route would be disastrous.

Clause 35 – Information in schools on Apprenticeships

ALP is urging in the strongest terms that clause 35 of the Bill should be amended so that all pupils in schools are given information about Apprenticeships.

Major concern about the current wording of the clause was expressed by several speakers from all sides of the House at Commons' Second Reading and ALP believes that despite the assurances given by the Government during the debate, it is essential that an amendment is made.

Work based learning providers are pleased that the Government has expanded the Apprenticeship programme to the extent that over 250,000 apprentices were in training last year. ALP members have responded by improving the quality of the training so that the completion rate for Apprenticeships is now running at 65%, which compares with the best in almost every other nation in Europe.

We believe that aiming for 500,000 apprentices throughout the UK by 2020 is not unrealistic if the country is to emerge from the recession with a properly skilled workforce that will ensure our economic competitiveness. Promoting vocational learning and Apprenticeships to young people and employers in the right way is therefore an important pre-requisite in achieving the Government's aim.

Over the past forty years, the championing of vocational learning in the face of sometimes fierce opposition of the traditional academic lobby has often been like watching successive governments take two steps forward and one step back. Unfortunately the step back can be potentially very damaging to the interests of young people and the economy, and ALP fears that an unamended clause 35 would fall into that category.

Clause 35 (2), which requires schools to give information, advice and guidance to pupils on Apprenticeships but only 'when it is in the best interests of the pupils to do so', is wholly misguided for the following reasons:

- a. It implicitly fails to recognise that many young people with good GCSE and A Level results are increasingly making a considered choice in opting for an Apprenticeship instead of going to university when given information about the programme, although of course completing an Apprenticeship can offer a route to higher education. ALP members can point to examples of former apprentices in their twenties who are now in middle-management positions and earning excellent salaries;
- b. It appears, as one speaker said at Commons' Second Reading, to be reinforcing what remains a weakness in our educational system, whereby it is clearly in the interests of schools to maximise the number of young people staying on beyond the age of 16 whether it is in the interests of the young person or not;
- c. It is deeply patronising that the clause, as currently worded, should allow adults to effectively make the choice for young people by denying them information about Apprenticeships. Ministers readily acknowledge that many teachers see Apprenticeships as 'second-rate', either because of ignorance or prejudice, and yet we may be about to see the statute book allow this most unfortunate bias to continue unchecked;

- d. Ofsted now has the power to check on the quality and impartiality of Information, Advice and Guidance (IAG) arrangements in schools, but can we realistically expect under the new 'short and focused' inspection regime that IAG will be among the priorities of an inspector on a school visit?
- e. The clause unamended will potentially limit the number of young people recruited into Apprenticeships to the extent that the aspiration and economic necessity for 500,000 apprentices will be placed in serious jeopardy.

ALP has made representations to ministers that the new National Apprenticeship Service should be encouraged to visit schools and take with them local apprenticeship employers and providers to help overcome the ignorance and prejudice that still exists and to persuade more teachers and pupils that Apprenticeships are a first-rate choice which come with a contract of employment and meaningful career prospects.

We believe that the Government's policy on Apprenticeships has been well directed and increasingly well supported financially in response to demand from young people, adults and employers. However, clause 35 potentially acts as a heavy hand-break on the growth in demand and we do not feel that the assurances offered by ministers at Commons' Second Reading specifically addressed the concerns raised.

It was interesting that in the Commons' Public Bill Committee, ministers came forward with a different line of argument for resisting amendment. They said that some students might not be ready to start an Apprenticeship, so there was no point in telling them about the programme. This argument seems rather perverse when we are trying to encourage aspiration and ambition among young people. Furthermore the new Foundation Learning Tier will be offering provision for young people to attain the necessary steps to be able to start an Apprenticeship.

Therefore sensible amendment of clause 35 requires the removal of subsection (2) and the bringing forward of a new amendment which requires all registered pupils to receive information about Apprenticeships as part of careers education in schools.

Clause 59 – YPLA's Funding Functions

ALP would welcome assurances from the Government that the Young People's Learning Agency will be able to nationally commission services from national providers, including charities, in respect of helping 16-18 year olds to avoid becoming part of the NEET group.

As has been widely reported, the number of young people not in education, employment or training (NEET) has been rising steadily in recent months. The last official quarterly data (Q4 2008) for the 16-18 age group stated that the proportion which was NEET was 10.5%, an increase of 0.6% on the corresponding quarter of the previous year. According to the DCSF quarterly brief, this was due to a fall in employment opportunities for young people. The data also points to a North/South divide. ALP members have reported from the regions that the picture has worsened during the first half of this year, leading to a strong demand for participation in the Government's Entry to Employment (E2E) programme. When money ran short for the programme to fund new starts, ALP successfully mounted a pre-Budget campaign which led to Ed Balls allocating a significant proportion of a £251 million package to E2E for the remainder of this year.

To many young people on some of the most deprived estates in the country, the E2E programme often represents the only route to avoiding a life on benefits or getting into trouble with all the costs to society which that can entail. This group of people includes those with often multiple disadvantages, in need of intensive, bespoke support. ALP

member providers, including many from the Third Sector, were saying that funding for E2E places had been held back at just the time when, because of the economic situation, demand for places is increasing. The Learning and Skills Council (LSC) has now written to E2E providers confirming that they will be paid for all successful provision this current year and that £404m will be available to fund the programme next year. However, the long-term future of E2E remains uncertain, in spite of the fact that it successfully places many young people in jobs – a positive outcome which should be valued more highly – and it can provide a crucial stepping stone to a full Apprenticeship.

To assist hard to reach young people including NEETs, national providers need ‘scale’ or sufficient volumes to offer really effective and innovative solutions. The costs are too high to do it on a single or small Local Authority grouping basis to make a substantial impact. Therefore for the Foundation Learning Tier, ‘alternative education’ and the Entry to Employment (E2E) programmes, some ALP members want to be able to nationally contract with the YPLA. As a member of the DCSF’s stakeholder group, ALP understands that the YPLA will be able to procure directly from providers through open and competitive tendering, i.e. for services beyond that for academies and for young persons with learning difficulties, but it is important for the Government to confirm at this stage of the commissioning design process that the agency will have the capacity to commission nationally in respect of the type of programmes listed above.

There is also deep concern about the increasing disparity between the level of good Information, Advice and Guidance (IAG) provision for young people across the local authorities. Some councils have slashed former Connexions staff numbers and it makes our concerns about the provision of impartial IAG in schools even more acute. It is therefore reasonable in our view for the Government to allow the YPLA to commission IAG services from independent providers in areas where there are gaps in provision or provision is failing to meet the objectives of this legislation.

Clause 90 – Age and the Election for an Apprenticeship

The Bill proposes that those aged 16 but below 19 who have achieved a level 1 qualification may elect for an apprenticeship and places an obligation upon the Chief Executive of the Skills Funding Agency to secure such places as are necessary.

It may therefore be expected that young people who have not achieved a level 1 but who would otherwise wish to elect for an apprenticeship will seek to achieve a level 1 between the ages of 16 and 18. We are concerned that those who are furthest from this ambition, or those who, through circumstances such as illness or caring duties, are unable to elect during these years, will be further disadvantaged by being prevented from electing for an apprenticeship by this narrow definition of age. We recognise that there is a duty upon the Chief Executive to provide apprenticeships for those over 19 but are concerned that this is subject to resources rather than through an entitlement to elect. This is likely to lead to young people in this position experiencing further disadvantage.

We would suggest that, where there are clear circumstances that restrict access to apprenticeship during the years of age 16 to 18, the entitlement to elect for an apprenticeship place is extended beyond 18.

Clause 98 – Funding of Apprenticeships

Clauses 98 and 102 address the provision of financial resources for Apprenticeships via the Skills Funding Agency and the National Apprenticeship Service (NAS). The Machinery of Government changes mean that the funding arrangements for Apprenticeships will not be

simple with money flowing from both the DCSF and DIUS according to whether the provision is for young people or adults.

However, the proposed arrangements rightly retain the principle that funding will pass through training providers and colleges who contract with local authorities and the NAS by demonstrating that they can build relationships with employers willing to offer apprenticeship places. ALP is therefore concerned that Her Majesty's Opposition has published proposals that government funding for Apprenticeships should flow directly to the employer. We believe that the net result of this reform would almost certainly be a very significant drop in the number of employers offering apprenticeships. The majority of Apprenticeships come in very small batches within SMEs and it is highly unlikely that smaller businesses would want to take on all of the associated bureaucracy, auditing and the Ofsted inspections, which training providers currently take off their hands in relation to the programme.

Clause 167 – QCDA and the Foundation Learning Tier

The Machinery of Government changes have presented major challenges for vocational and work-based learning with the transfer of 14-19 programmes and budgets from the LSC to English local authorities.

ALP is in regular discussion with the DCSF and the LGA on how the profile of vocational learning and work based learning (WBL), including Apprenticeships, can be maintained under the responsibility of local authorities. Evidence points to the profile of WBL and independent WBL providers being very low among many authorities, which has serious implications for the implementation of Local Area Agreements and minimising the number of young people entering the NEET group.

As covered above, too few youngsters are being given information and guidance about Apprenticeships at school which is a factor in Britain having one of the highest drop-out rates at age 17 in any developed country. ALP also fears about the future of the Entry to Employment (E2E) programme as the new Foundation Learning Tier (FLT) continues to develop. With many coming from the most disadvantaged backgrounds, E2E learners who are not ready to attain full qualifications are hampered by the progression pathways under FLT that do not have obtaining a job as a primary or any sort of outcome.

The challenge for these learners is made greater by the new Qualifications and Credit Framework not being sufficiently developed and populated to assist them. By 2010, the Framework aims to make key vocational qualifications available to learners in small, credit-based units of learning, but some qualifications still require development and providers need to train their staff to deliver them.

ALP requests that their Lordships seek assurances from the Government that it is listening and acting on concerns about the development of the Foundation Learning Tier and its potential for reducing the number of young people in the NEET group. We believe that the Qualifications and Curriculum Development Agency (QCDA) could and should play an important role in ensuring that the FLT is developed and promoted in the right way to make a positive impact.

For more information, please contact:

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