



Sub-Committee on Education, Skills and the Economy

Oral evidence: [Apprenticeships](#), HC 206

Wednesday 8 June 2016

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Written evidence from witnesses:

- Professor Alison Fuller and Professor Lorna Unwin ([APP0033](#))
- Association of Colleges ([APP0115](#))
- Association of Employment and Learning Providers ([APP0091](#))
- National Union of Students ([APP0038](#))

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Members present: Neil Carmichael (Chair), Michelle Donelan, Lucy Frazer, Ian Mearns, Amanda Milling, Jonathan Reynolds, Amanda Solloway, Stephen Timms, Chris White, Mr Iain Wright

Questions 1 – 77

Witnesses: **Baroness Wolf of Dulwich**, Sir Roy Griffiths Professor of Public Sector Management, King's College London, **Professor Alison Fuller**, Professor of Vocational Education and Work, University College London Institute of Education, **Dr Lynn Gambin**, Senior Research Fellow, University of Warwick Institute for Employment Research, and **Professor Ewart Keep**, Professor of Education, Training and Skills, Oxford University, gave evidence.

Q1 Chair: Welcome to you all to this session on apprenticeships. This is our session one. The purpose of the session is to gather evidence from experts, providers and apprenticeship representatives about the current provision and the Government's ongoing changes to administration, assessment and, perhaps crucially, funding. Could you all introduce yourselves by name and roughly where you are for the purposes of those viewing from afar? Alison, would you like to start?

Professor Fuller: Yes. I am Alison Fuller. I am Professor of Vocational Education and Work and Pro-Director for Research and Development at UCL Institute of Education.

Baroness Wolf of Dulwich: I am Professor Alison Wolf. I am Professor of Public Sector Management at King's College London and I am also a Cross-Bench Peer, but that is not relevant to this proceeding.

Professor Keep: I am Professor Ewart Keep and I am Professor of Education, Training and Skills at the Education Department of Oxford University.

Dr Gambin: I am Lynn Gambin, a senior research fellow at the Institute for Employment Research at Warwick University, where I jointly lead a programme of research on apprenticeships, skills and training.

Q2 Chair: The first question is we have an apprenticeship system. It is out there, operational. What does it look like? How do we feel about it and does it need to be changed? Because there is a lot of change afoot and I think we need to answer that question first of all. Alison, would you like to comment?

Professor Fuller: Yes, I will say a little bit about what it looks like in terms of numbers. This is from the recent full-year statistics for 2014-15 and just referring to what is called starts, which is registrations on the programme, of the 500,000 registrations in 2014-15, 43% were from those 25-plus age group when they started. We have apprentices starting all the way up the age scale up until their 60s. Nineteen to 24s were 32% of all starts, and the 16 to 18s, apprenticeships traditionally associated with school leavers, is 25% of all starts.

In terms of gender, there are now 53% of the registrations that are female and that reflects the service sector-led and dominated picture in terms of occupational sectors, because you do not get balanced gender participation in all sectors. For example, it is under 5% in engineering that are female starts, but across the whole piece it is 53%. In terms of level, the majority, 60%, are registering on level 2 apprenticeships, which in terms of skills are classed as semi-skilled jobs, and the rest are level 3 or level 4/5 and increasingly higher. That is small overall; I think it is about 20,000 in 2014-15. So the majority are at level 2.

In terms of sectors, number one in the charts is health and social care: 85% out of the 500,000 registrations were in health and social care. It is by far the largest and most highly populated apprenticeship sector at the moment. The next is business administration, 49,000, then management, which some people find quite a curious apprenticeship sector, 43,000 starts. Then hospitality and catering, and then you have to go down to eight and nine to get to the traditional apprenticeship sectors, engineering and construction. Engineering, there were 18,000 starts and construction skills 17,000, so in terms of a percentage of all starts that is about 4% were in engineering. Why is that? Well, one of the big reasons is that the programme allows people who are already employed in a role to be converted into becoming apprentices. In other words, those who are already in the labour market in employment can be rebranded as apprentices, although they are carrying on doing their existing roles. That raises questions about additionality and deadweight and quality and so on.

Q3 Ian Mearns: The 16 to 18 year-olds, you say that is 25% of all starts, but what is the percentage of the 16 to 18 cohort who are going into apprenticeships?

Professor Fuller: It is about 5% or 6%.

Q4 Chris White: You mentioned the number of apprentices doing management and you said that that was curious as to why that was in it. Why was that curious?

Professor Fuller: I think because apprenticeship traditionally has been associated with technical and craft skills and management has been associated with people who are more highly qualified in terms of degrees and so on and so forth. Apprenticeships have also traditionally been associated with young people, school leavers, who you would not automatically assume were going to be put into managerial positions. I am not necessarily saying that you could not construct a very strong apprenticeship in management, but it does challenge and stretch some of our perceptions of what apprenticeship is.

Q5 Chair: What is the Government trying to fix? That is really the question, because we have heard the figures. Alison, Lynn, what do you think we should be fixing?

Baroness Wolf of Dulwich: The Government thought it was fixing what Alison has just described because you started off, Chairman, by saying, “Do we have a system?” We do have a system. Unfortunately, we still have exactly the same system as we had four years ago. Essentially, nothing has really changed. Following the Richard Review, there were some very ambitious reforms announced, which I have to say I think were excellent, and which—among other things in connection with what Mr White just said—identified the idea that an apprenticeship is about a new role, a new job, somebody coming into it and learning brand-new skills.

There have been a large number of new sets of standards announced. People are busy writing new apprenticeships like anything, but the reality is that out there nothing seems to have changed. In fact, we seem to have gone backwards again. There is an excellent summary that has just come out from the Commons Library, by the way, of all of these figures, so thank you to the Commons Library. For a while the proportion of adults, and quite mature adults, in apprenticeship went down. It dipped quite markedly for a year or so. It has now gone right back up. As Alison says, we are not making any progress in shifting the focus of apprenticeship to high skill, traditional routes. I do not understand why, although my hunch is that although with half of its intentions the Government is indeed committed to trying to improve apprenticeship—and Ofsted, for example, did an absolutely coruscating review of it—with its other half, of course, it is tied to a 3 million target. That would, I have to say, be my explanation of what is going on.

Chair: Ewart, do you have any thoughts on that?

Professor Keep: Yes. The Richard Review identified a series of problems and it was not that any of these problems were particularly new. They had been around in the system since modern apprenticeships were introduced in the mid-1990s. The off the job element was often missing in a lot of the lower level apprenticeships and was not really a substantive piece of training away from the job. Quite often the on the job learning was completely unstructured, people simply picked up some knowledge by just doing the job. New ladders for progression was identified as a problem, that quite often apprenticeships were a dead end, particularly some of the level 2 ones. They did not lead to any further

progression, and as they are equivalent to a lower secondary qualification, they are not broadly comparable with apprenticeships you would find in many other developed countries. There were concerns about assessment and the idea that a move to end assessment as opposed to continual assessment would free up resources and concentrate training providers on the issue of training rather than just accrediting skills, and I think there was a belief that there was too much level 2.

I would endorse all of those. I think that the problems that the Richard Review identified are ones that lots of people knew have been there for a long time. The problem, as Alison has just said, is in a sense trying to deal with introducing the levy and the 3 million target and reform the apprenticeship system simultaneously. That is a fairly ambitious agenda and it does create certain tensions.

Dr Gambin: I guess one of the other longstanding issues is the lack or the very low level of employer demand for apprenticeships, because the provision of apprenticeships hinges completely on the need in the labour market and the need as perceived by and as employers see it. If employers are not there to offer it, it is not going to happen. The number always hovers around 10% of employers engaging currently in apprenticeships and that has not moved very much since the mid-1990s.

Q6 Chair: Are there any lessons we can learn from abroad on this policy area?

Professor Fuller: In the strong apprenticeship countries, so there I am thinking about Switzerland, Germany, Austria, Denmark, the Netherlands to some extent, they have quite a long-term approach to this in terms of bringing together employers, providers, professional bodies, unions, all the relevant stakeholders, to thrash out and to develop over time the kind of standards that they want to implement, and then those have a kind of national backing. The opportunity for people to develop trust, and particularly individuals and their families to develop trust, as well as recipients of apprentices, is really strengthened by that. It is much calmer, the whole approach to policy formation and reform, and the understanding is much more rooted in relationships that have been developed over time and are locally anchored as well, perhaps through the chambers of commerce in some countries. It is a rooted ecology that you find in other countries that is backed up by legislation, not so much fragmentation, not so much change and so on. That is not to say they do not have problems, but they are challenged and dealt with in a more measured way.

Baroness Wolf of Dulwich: I was a great advocate of the apprenticeship levy and it is worth saying that most other countries that have strong apprenticeship systems, in fact virtually all the countries that have large apprenticeship systems, also have some form of levy or tax, so employers do indeed have skin in the game. One of the mysteries to me remains why—well, I can imagine why politically—we in a sense created another problem for ourselves by saying that there are only going to be a limited number of employers who are involved in this and there was going to have to be a completely separate system for small businesses.

I do think that there is nothing we can do about it. We have had a very bad period of constant reform and there is nothing we can do to change that, but the centrality of employers is absolutely vital. I have just been in Australia, where a lot of bits of the system are not working too well, but their apprenticeship system is quite limited. It is

about the traditional trades. These are mostly four-year apprenticeships; they are deeply integrated with the employer groups. The state does do its bit, so if you have a huge contract you have to have some apprentices and there are benefits and so on. I think the one thing that is absolutely constant and which our reforms were meant to change, and maybe they still will, is the centrality of the employer, which is the thing that we lost decades ago. We really need to keep focused on bringing that back.

Q7 Ian Mearns: That is the key to the question. There were statistics before that engineering had 18,000 new starts, construction 17,000 new starts. We know that those two industries for decades have undertrained for their own future workforce requirements.

Baroness Wolf of Dulwich: Consistently.

Ian Mearns: Do we have any idea of what the optimum number for those industries should be on an annual basis?

Baroness Wolf of Dulwich: You should at least be training for replacement, just basically. Construction is one of the ones I feel most strongly about, because it is one where we have had a consistent policy failure, where we have had the Construction Industry Training Board and it just has, in my view, manifestly failed to operate as it needed to. Of course, the reason they have not trained is because they have not needed to train.

Q8 Ian Mearns: If you do not mind me saying it, the CITB has done a good job, as far as it goes.

Baroness Wolf of Dulwich: As far as it goes. Their actual training is good.

Q9 Ian Mearns: Yes, but if you ask anybody in the industry for, say, the last three or four decades what proportion of their own future workforce requirements has the construction industry trained, they will say optimistically 50% and probably closer to 40%. Hence the big construction companies who used to do that sort of training used to have it backfilled by things called public works organisations in local authorities. But when local authority services were all privatised, those privatised contracts went to the big companies who were not doing the training in the first place and it became a systemic problem.

Baroness Wolf of Dulwich: Yes. I think Government have to take an active role. When we describe the equilibrium in countries like Switzerland and Denmark and the Netherlands, where they actually improved it, yes, the employers are central, but it is on the basis of Government legislation and regulation. It is not just that it kind of happened.

Q10 Amanda Milling: Just on that point, the Government are trying to put employers at the heart of the apprenticeship system, so do you feel that this is happening? How do you balance Government intervention with it being employer driven?

Baroness Wolf of Dulwich: At the moment—and maybe other people will correct me—what worries me is I just do not see it happening. Can I just give an anecdote from my own experience? It is from a school where I am a governor and we wanted to take on an apprentice. I wanted to take on, if you like, a proper apprentice under one of the new frameworks. We are a small employer and I could not find any way of doing that. All that

was available to me was the old system. There were private providers who advertise—I do not want to name them—and they gave the impression to the business manager that they were really official. She said, “They must be okay, look, they are SFA accredited. They have SFA on the front of their website, so the Skills Funding Agency obviously thinks they are fine”.

Basically, all that was available to us was taking on an absolutely old-style business admin, finish it in a year, no off the job training, no requirements, “You do not need to do anything, just leave it all to us”, a pointless apprenticeship. If that happened to us and we were looking hard, I just have to say I do not know what is happening out there. There was a very clear and quite promising reform programme and it just seems to have run into the sand.

Professor Fuller: Can I just say I think we do know how to do apprenticeships really, really well—we should not be slow to bring that to the fore—but the knowledge is not distributed across the employer landscape. If you take the big engineering employers, they provide fantastic apprenticeships, absolutely fantastic, and there is a degree of overtraining in what they are doing and attention to supply chain and so on and so forth. We do not have institutional arrangements that support the small and medium-sized employers to come together in what are called group training association kind of arrangements across the piece, and I think other countries perhaps have cracked that nut. Where it is a small employer, they are not all that sure how to do it, they perhaps have not had an apprentice for a while, they perhaps do not have qualified trainers, they need support, they need real help, and that can come from their peers or it can come from—

Baroness Wolf of Dulwich: But it also has to come from the system.

Professor Fuller: It has to come from the system.

Baroness Wolf of Dulwich: What I am saying to you is that we knew what we were looking for. We wanted to do a new reformed apprenticeship. Maybe if we had devoted two months of work to it, but in the end we just—

Dr Gambin: Yes, I think it is important to emphasise the sectoral differences, like they said, about engineering. Where it works, it works really well, but the thing to realise is if you are asking the question about how many more we need in engineering, it is at some type of equilibrium at the moment, but it is that employers tend to be risk averse. In engineering, for instance, it might take three or four years to train up your apprentice and then you face the risk of losing them at the end. Employers are a little bit risk averse perhaps, and in the work that we have done on different funding arrangements, we have discovered that there is a tipping point where that risk aversion takes over and holds them back on the numbers that they will train.

Q11 Chair: Thank you. Alison Wolf, what progress has the Sainsbury Review made and to what extent is it going to be focusing on apprenticeships?

Baroness Wolf of Dulwich: Oh help, what am I allowed to say? It has reported. It seems to have been caught up in the grid in No. 10.

Q12 Chair: Is that because of the referendum, do you think?

Baroness Wolf of Dulwich: It might be the referendum. Basically, it is finished, it is submitted, and I do not know how you guys get hold of it.

Chair: We are going to have to wait and see.

Baroness Wolf of Dulwich: I think you are going to have to wait and see. I think the answer is that we do say a bit about apprenticeship inevitably, because it is all linked in with this—obviously I would say this, wouldn't I, since I was on the panel—and I think we said some quite sensible things.

Chair: I will read it with more care then.

Baroness Wolf of Dulwich: Please. I am allowed to say for the record that I think our chair did an absolutely brilliant job. I think David Sainsbury did a fantastic job on it, so I hope that when it comes out people will like it.

The remit was quite clearly laid out as the 16 to 19 routes and that is basically what we have addressed, but it will have something to say about the interface with apprenticeship. We were not talking about and we were not given a remit to talk about implementation of apprenticeship reform. That was not part of the brief and it is therefore not something that—

Chair: Okay, right. We will wait for its publication and look at it perhaps as a committee.

Baroness Wolf of Dulwich: I probably can say I think it is just held up, like lots of things.

Q13 Chair: Yes. Well, the referendum is under way. We only have 14 days to finish the job off. I do not think I will say anything more at this stage. We have heard already in this session the importance of centrality of the employer and the Government do recognise that. Do you think it is on the right path to improving the situation?

Professor Keep: I think that the problem is that there is an underlying tension. If you talk to civil servants and policymakers in BIS, the implicit model they have of the future is of a vibrant training market, and it is actually a spot market. It is really rather short term. I think what both the Alisons have been saying is exactly right. When it comes to employers in other countries, the key is to get them to work collectively through relationships and institutions that you build up over time. If you talk to German employers, they would not see it as a training market. They might acknowledge that there are aspects of a market in there, but that is not the primary model they have in their heads at any given moment. I do worry that the idea of an atomised training market where employers get an electronic voucher and then they go and seek out the most cost-effective training provider they can find on the face of the planet is not perhaps the best model that we need to develop.

I worry that these reforms are happening at a time when to a certain extent we have dismantled many of the bodies that represent employers collectively at a central level, because as Lynn's point says, in many senses apprenticeships are about sectors and/or occupations and it means that employers need to work together, not least to do things like update the new standards in a few years' time. We therefore do need collective employer representation and organisation and most other countries deliver that. If we continue to

obsess about individual employers in some spot marketplace, I think we have real problems.

Q14 Jonathan Reynolds: I just have some questions about the apprenticeship levy, and particularly to you, Baroness Wolf, because I understand you proposed the levy in a paper to the Social Market Foundation last year. I would be interested to know how you feel the Government's apprenticeship levy lives up to what you envisaged.

Baroness Wolf of Dulwich: Yes, I did and I would like to think that maybe it made a tiny bit of difference to the Government's decision, but I have a feeling that what really won the day was the fact that it was going to fill a large black hole or a large red line. This comes back to something that one of your colleagues said earlier. I think that what the Government have become aware of, and this is also what Lynn has said, is that our employers have basically stopped, have really cut back on training expenditure. It is quite shocking and it comes out of every single survey that they have been reducing it.

Q15 Stephen Timms: Since when? Is it a recession effect?

Baroness Wolf of Dulwich: There is a chart in my papers. I should remember it, shouldn't I? It has been falling—

Professor Fuller: It was well before the crash.

Baroness Wolf of Dulwich: It was well before crash. It is since the early 1990s it goes on down and it becomes ever more precipitous from about the year 2000. It comes up in every single survey that training expenditures have been cut. It is quite remarkable because we have quite a generous tax regime already. You can offset things against tax.

I think that what is right about the way the Government are approaching it is this feeling that you have to do something about it and that if you make employers pay, then that of course changes the whole dynamic of incentives and concern. It is a completely different thing to be told by a training provider, "Just sign here. We will turn these employees into apprentices. You do not need to worry about it" from being in a situation where if you do spend on training you get it back, and if you don't, you don't. So I think the basic thinking is fine.

What I think is very odd—and why we always have to be different, I do not know—is that we have put this sort of cliff, so if you are above a certain size you are paying quite a substantial amount and if you are below a certain size you are not. I find that very odd and nobody in Government has given me an explanation. Well, why would they? But I have asked people and nobody has given me a good explanation of this or a coherent post hoc rationalisation of how that will work. I think it is worrying, because in every country small and medium employers are critical to apprenticeship. They are often much the best place to be an apprentice. We all know about the wonderful engineering companies that have big schemes and have continued them because they have needed them. We do them brilliantly. Our best engineering apprenticeships are as good as anything in the world. But if you are going to have a proper apprenticeship system and one that is attractive to young people, you have to get small and medium employers involved. They will very often give fantastic training because you do everything in a small employer.

Q16 Jonathan Reynolds: I want to come back to that point certainly, but just before I do, it seems to me that the reason there is a lot of political support for this is exactly as you say, as has been said, that clearly every time you meet certain companies they always tell you about the skill shortages. We know that people are not being trained; there is a market failure there. But it seems to me that if our desire is to make sure companies that are not paying pay something towards the system, there has to be a guarantee that the companies who are doing the right thing at the minute do not miss out. In other words, they must get back what their levy is putting in because otherwise if you are, for instance, paying £1 million on apprenticeships and you only get £800,000 back, you are being hit for £200,000. The people we want to celebrate are being penalised, essentially, by a system that could reduce what we want to create more of. Is there a guarantee in the apprenticeship levy as it stands that if people are doing the right thing they will not miss out?

Baroness Wolf of Dulwich: As far as I know there is. This is why I have to admit that I have not kept up with the finer details of what is being proposed; maybe Lynn has. Yes, there is such a guarantee and I agree, it has to be there because otherwise you lose legitimacy. As I am sure you know, there is plenty of lobbying going on already by CBI and others to, in my view, gut the whole proposal.

Q17 Jonathan Reynolds: We are sure that is in there?

Baroness Wolf of Dulwich: At the moment that is in there, so there is absolutely no question that that guarantee is in there, yes.

Q18 Jonathan Reynolds: In terms of the very valid point you also made, which was the impact on non-levy paying companies, you said you are unaware of any other country operating such a cliff edge.

Baroness Wolf of Dulwich: Yes, that is right.

Q19 Jonathan Reynolds: Clearly there could be a situation where companies are connected, they are part of a bigger group. Will it be the overall group structure upon which the levy is raised?

Baroness Wolf of Dulwich: I do not know. Again, maybe my colleagues have been following the details. It just seems to me that we have created a needlessly complicated situation. If you come back to construction, for example, it immediately just does not work for construction because construction is all subcontracting. You have a system that straight away does not work for one of your critical sectors, so I suspect it was one of these things that was decided the night before, but it would be nice if they could rethink.

Jonathan Reynolds: Surely not.

Ian Mearns: We do not do things on the back of a cigarette packet.

Jonathan Reynolds: Absolutely. I have two more questions if that is okay, Chair.

Chair: Yes, fine.

Q20 Jonathan Reynolds: In terms of how it will work in practice, the voucher system, the online platform, and bear in mind this is due to come into being in April next year—

Baroness Wolf of Dulwich: Yes, very soon.

Jonathan Reynolds: —is that ready and is such an online currency, if you like, a feature of other countries' levies?

Baroness Wolf of Dulwich: I think the answer is I do not know, as far as anybody else. I do not know whether it is ready.

Dr Gambin: We are currently undertaking some work for BIS about employer reactions and plans and intentions in reaction to the levy, which I cannot comment on because it is still ongoing, but my understanding is that in June there will be the next set of information available publicly and to employers about the system and the workings, more of the specifics about it.

Baroness Wolf of Dulwich: Can I just say one thing? I do not think there is anything intrinsically problematic about stuff being online. However big or large you are as an employer, you are doing your pay stuff online, so it is not like you have large numbers of small employers out there who are doing stuff on paper. That is not true. But this is going to be very complicated, isn't it?

Dr Gambin: I am not sure.

Baroness Wolf of Dulwich: I guess. It just strikes me that it is for the reasons you have raised.

Dr Gambin: Up until these kind of reforms, especially for small employers, the training provider has been in the position to hand-hold and take them through the entire process, sign them off and put them on. They do that more in some sectors than in others. Having this slightly different system for small employers, non-levy employers and the others will I guess allow some flexibility in that, so how much of a role other supporting stakeholders and training providers might be able to provide for those employers that need it, whereas in a larger company it might be that they already have HR institutions and structures set up to accommodate any new change in the payroll and things.

Q21 Jonathan Reynolds: My final question, Chair. Given the devolved landscape in the UK, the levy is UK-wide, and presumably for some companies that is relatively straightforward and you can ringfence a certain proportion of the pot. But there are many companies: a Welsh company that will have English employees or Welsh employees who live in England is what I mean by that or vice versa, how then can such a system accommodate that level of complexity?

Baroness Wolf of Dulwich: They do have a system like that. I am trying to remember. They do have some solution to that particular problem, but I cannot remember what it is. Do you?

Professor Keep: The UK Government will hand back to the national Administrations in Wales, Scotland and Northern Ireland a proportionate sum. In other words, the number of employees in their jurisdiction that have paid the levy, that sum of levy money will go

back to those national Governments, who then decide what to do with that money. They could spend it on anything. They could spend it on apprenticeship, they could spend it on other forms of training, because their systems of course are quite different in terms of apprenticeship anyway.

Q22 Jonathan Reynolds: Presumably that means if, say, a company is based in Liverpool and has 5% of its workforce living in Wales, although it is an English company, 5% of that levy goes to the Welsh Government?

Professor Keep: If people are working in Wales, yes. If they have a plant in Wales—

Jonathan Reynolds: So not if they live in Wales?

Professor Keep: No, no, no, it is where they work.

Jonathan Reynolds: That is fascinating and extremely complicated.

Professor Keep: Yes.

Q23 Mr Iain Wright: Can I just pick up on what we are trying to fix here? Could you give us your assessment about what the Government's Trailblazer standards are like? Will they improve matters?

Professor Fuller: I think the jury is out at the moment, because we have not seen any of them in action. There has been a snowballing of standards being developed that I think is working against some of the original rationale for bringing them in, which was about trying to associate one standard with one occupation. The way it has transpired, we are now getting standards rolled out for job roles, so it is more of an anything goes approach that has crept in.

Q24 Mr Iain Wright: That is the point I want to push, if I can, Professor Fuller, whether that proliferation is appropriate to what, to all intents and purposes, is what are the skills requirements and future skills requirements of a modern, dynamic economy. Hartlepool College of Further Education, which is a premier further education college in the best constituency anywhere on earth—I may be slightly related to that—have said to us, “The new apprenticeship standards will offer a proliferation in the number of apprenticeships pathways and this runs counter to the Government's simplification agenda. Furthermore, the new apprenticeship standards are likely to be bespoke to either a single organisation or a small number of organisations. What does this potentially do for the portability of national qualifications?” What is the answer to that?

Professor Fuller: I think it is worrying, particularly from the point of view of the individual, particularly again if they are young and they are looking to develop a platform of skills and attainment that is going to allow them to move on and progress. Having that fixity on a narrow standard that suits one employer is problematic.

Q25 Mr Iain Wright: Have the Government got the balance wrong then? Do they need to think again?

Professor Fuller: They probably do. The comments I have had are that there has been an attempt to let 1,000 flowers bloom and to try to generate enthusiasm and involvement and to get employers participating in this, and that has been a strong drive, but that as it matures they are expecting that there is going to be a reduction in standards and that people will be put together in kind of arranged marriages to try to smooth that out. At the moment, it does feel a little bit of a free for all.

Q26 Mr Iain Wright: In terms of end point assessment, is that an improvement over previous methods of assessment?

Professor Fuller: Potentially, but I think it does reinforce a longstanding issue and characteristic of the system in this country, which is essentially it is assessment led. This is a new inflexion on assessment led and it may be that it has some benefits, but for me the emphasis should be on the process and on the training and the quality of the experience. I am concerned that the end point assessment, we do not know what the detail is, but it is likely to be pretty complicated in terms of who is doing it, how it is going to be inspected, how it is going to be quality assured and what value it is going to add. I am not sure we have the capacity to do it.

Mr Iain Wright: I think that is a really important point. Professor Wolf?

Baroness Wolf of Dulwich: I want to come out very strongly in favour of end point assessment. It is characteristic of, for example, the German or the Danish systems. It is where the word “masterpiece” comes from. A masterpiece was what you created at the end of your apprenticeship. I totally agree with Alison that the process has to be there and that has to be embedded in institutions and commitments by employers, but I think that one of the major problems that we have had with a lot of vocational qualifications over the years is that they have been endless little things that were ticked off as you went along. It was never brought together. They were incredibly assessment heavy; a vast amount of your expenditure and effort went on constant assessment.

I also think that the great advantage of having end point assessments is it makes it much more practical to have employers involved in the off the job element. I am talking about the Danish system here because it is the one that I have seen most often. There what you do is the employers come to the colleges in the final week, where people get their journal and certificate, and you are doing a big piece of work, sometimes alone, sometimes as part of a team. The logistics of bringing employers there is just much simpler when you have that. Of course it could go wrong, that is always the possibility, but personally I think that is one of the elements that I am very pleased to see there.

Q27 Mr Iain Wright: Do we have the philosophical foundations right? I do not want to go too deep on this, but what is the point of an apprenticeship and what is it for, employer led, the apprentice themselves, and where should standards fit into that? Where is the right balance in terms of that standards framework? Are you preparing an apprentice for a specific job that the employer wants that apprentice to do or are you preparing that apprentice for a lifelong career?

Professor Keep: You have to try to think of it as in most countries that have strong apprenticeship systems, the employer is training someone to enter into an occupation. They are training them also to do a specific job at a given moment in time, but the

apprenticeship is designed explicitly to provide them with a broader base of learning that will allow them perhaps to return to learning subsequently. In many ways, you could argue that German-style apprenticeships, because they came out of the craft tradition, were basically to allow the person who had completed the apprenticeship to set themselves up in business. They are a form of enterprise training. They gave you the skills and knowledge to run your own small company, if that is what you wanted to do. It was about joining a much broader occupational pathway than just a specific job, so coming back to the point that Alison on the far right was saying, you have automotive glazing—

Mr Iain Wright: You mean on the far right politically?

Professor Keep: Physically. One of the new frameworks is automotive glazing technician. Now, that strikes me as rather a narrow niche to be in. Automotive technician, no problem; automotive glazing technician, that does suggest training to do a specific job from day one. That is a really different ballgame. There have to be some trade-offs, but in the long term I would like to believe what we are trying to create is something broader.

Q28 Stephen Timms: Can I just ask something? You have supported strongly early on employer ownership. Isn't this narrowness in a way an inevitability if employers are able to do it on their own?

Baroness Wolf of Dulwich: At the end of the day you have to get the employers to take on apprentices. An apprentice is somebody who cannot do the job and you are going to have to pay them and you are going to have to train them and you are going to have to make a commitment. That means that, bluntly, there has to be something in it for you. I do not know how many people here are or have been—you must all be employers, probably. There has to be a bargain that makes sense for both sides, and that is also why it is so important that you get it as a system, because otherwise one person will say, "I am not going to do it because then he or she will just hire my apprentice away".

The reality is that the people who know not just what their particular job requires but also what their whole field and occupational area requires are most likely to be the people who are closest to it. Again, I think it is just an empirical observation that good, robust, long-lived apprenticeship systems are run by employers and that when you try to do it differently, as we have just tried, it does not work very well. I also want to say that does not mean Government does not matter. It has to be there and it has to hold the ring and it has to make requirements.

The other thing about apprenticeship is that it is about a lot of things. Most research studies figure that the employer starts making a profit, if you like, in a good apprenticeship about halfway through. The first half of an apprenticeship you are losing money as an employer and the second half you are starting to get something to show for it. It is a combination of things. It is providing somebody who is an employee. It is part of the national education system in that you are teaching some broad skills for the economy as a whole. It is also about training the next generation in a particular occupation or field, but I think we would probably all agree that that has to be a lot broader than one job in one company.

Q29 Stephen Timms: Of course if the system is employer owned and I am running an automotive glazing business, it is surely not surprising that I will come up with an automotive glazing apprenticeship.

Baroness Wolf of Dulwich: When you say employer owned, I think that is a lesson to us. It has become a sort of catchphrase. It does not mean that each individual apprenticeship is owned by the individual employer. It means that organised employer groups—and that is one of your points—not individual employers are the most powerful, the most important players in the system.

Q30 Stephen Timms: In practice it is not, in fact, individual employers that are owning the system as it currently stands, because I am not sure there are these organisations of employers, are there?

Professor Fuller: It is small groups that are allowed to generate the standards. I think there is a big question about what public funding should be supporting and sponsoring and at what point should employers be paying for their own training. If it is about inducting somebody into a semi-skilled role that perhaps is only going to take a month to learn, then I am not sure that that is something that should fall into the apprenticeship definition, but at the moment it does, although it has to be couched in a one-year scheme. Converting existing employees, which does not happen in other countries, who already can do the job, but essentially this allows them to get some accreditation and a little bit of upskilling and some functional skills, that is what our apprenticeship looks like. The tasks it is being put to are very diverse and very broad and are quite a long way from the excellent summaries that Ewart and Alison have given as to what an apprenticeship is and should be.

Q31 Mr Iain Wright: Can I just follow up? I think Stephen made a really important point about shouldn't an individual company own this, and then, Professor Fuller, you were saying it is a collection. Can I push you further on that? Should it be sectors? Using automotive glazing as an example, the automotive industry is an important industry for Britain, where we have competitive advantage. Should it be the sector council working together with the Automotive Council that pushes that? Isn't this an important hallmark of a proper industrial strategy?

Professor Fuller: If a case could be made that there is a broad occupation there that goes beyond the narrow confines of the single employer or a small group of employers, then that would be the case. If you look in the strong countries, it is possible for them to create new occupational standards, but it is a very rigorous process where they have to pass various tests as to whether this is really a new occupation and an important occupation that has capacity and critical mass or not. There is a real rigorous analysis of what is going on there.

Baroness Wolf of Dulwich: The trouble was that we have tried repeatedly to create sector councils. The Government created them. Ewart, you can probably remember all the names.

Professor Keep: I can.

Baroness Wolf of Dulwich: You have a better memory than I, but they have gone through a large number of iterations. The trouble was they were governmental creations and they did not work. I think the problem for us is that we are where we are and in some industries

there are clearly employer organisations. If you want to talk to the engineering industry, the EEF is where you will go.

Professor Fuller: Or Semta.

Baroness Wolf of Dulwich: Well, Semta is, but that is probably because it predates—

Professor Fuller: It was originally EITB.

Baroness Wolf of Dulwich: Whereas in a lot of areas there really is not an integrated employer voice, so I do think the Government had a problem when it was looking for sector groups, occupational groups. In many cases there were not any, so it was where will employers come together. A lot of employers have given a lot of time to Trailblazers. It is not that people have not put a great deal of energy and time in, but it is a bit out of control.

Chair: Chris, 3 million target.

Q32 Chris White: Just to go back on to this poor automotive glazier for a second, I think it is a good thing and I have met people who studied clay modelling for automotive and that is their apprentice. Just as a thought, we would not probably ever say to some of our students or undergraduates at university, “You studied classics” which is possibly a very niche area, “so we would assume you are going into classics”. I think there are a lot of other skills that somebody can gain through automotive glazing that can be transferable, and if that is somebody’s interest and there is a demand for it, I do not think we should in any way not look at that as a positive step for that young person.

To go on to the 3 million, do you think a target, arbitrary or otherwise, of 3 million by 2020 does take with it the risk of reducing quality?

Professor Keep: Yes.

Chris White: You can expand on that.

Professor Keep: Okay. The history of targets, particularly around education and training, has been that they get gamed, and as the deadline approaches the tendency is to say, “Right, we may need to loosen our definition of apprenticeship in order to boost numbers” and we have seen that multiple times in the past. I think it is a real problem, because this one is such a high stakes one. It was in the manifesto, and the Prime Minister has endorsed it, so in a sense it is going to be very difficult for officials, people in the Skills Funding Agency and everyone else involved in this to not achieve that target. It makes it very high stakes and when those things become high stakes, policy becomes delivering a target, because in a sense the target is simple and measureable, whereas quality enhancement within apprenticeship is slower and is sometimes harder to spot and measure and promote to the public. My terror is that given a target, the target will override other considerations, all other things being equal, and that I think is the lesson of history.

Dr Gambin: There are also areas where it may increase quality, on the face of it, and we have always struggled with trying to get at the different types of deadweight and substitution when there has been any change in apprenticeship funding, for instance. We have done work on higher-level apprenticeships in accounting where all the professional qualifications that employers probably want are already in the system, not through

apprenticeships. There is always that risk that apprenticeships will just become something that was already there, but it is now in this system instead. Substantively it is the same kind of training, the same qualification that the person will have had. It may have some benefits about widening the pool of applicants that employers might consider because they have mitigated the risk somewhat in making the investment in the apprentice.

Q33 Chris White: Thank you. Can I come back to Professor Keep? You say that going for a target will be the No. 1 issue, but do you not think also that this Committee or other committees will have an equal focus on making sure that the quality remains the same as well?

Professor Keep: I certainly hope so. Obviously bodies like the National Audit Office will also be watching this, I suspect, very carefully, because in the past they have had concerns around target-based interventions. The difficulty though is that it is an open question how the quality of the new apprenticeship system will be monitored, because one of the many things that is up in the air is the inspection regime, and until the new Institute for Apprenticeships really lays out how exactly it is going to ensure that the new standards are enforced and the day a week off the job obligation that is built into new apprenticeships is also enforced, how are we going to know? It is very difficult to tell whether we will have the data to be able to say whether apprenticeships are improving or not. What we will know from funding data is just how many starts there are. So the 3 million starts target is easy to monitor. It is an open question, to which the answer is not yet known, how we are going to ensure that the quality is even being monitored in this new system, because we don't know yet.

Q34 Chris White: So your initial answer where you said that you would see a decline in quality you cannot really evidence?

Professor Keep: We may not be able to evidence in future. We just do not know how the new quality control and inspection regime for apprentices will work.

Q35 Chris White: Thank you. Professor Wolf?

Baroness Wolf: We do know that the quality of the current apprenticeships is often very poor indeed. We know that.

Q36 Chris White: Is that in particular sectors or particular geographic areas?

Baroness Wolf: In a very large proportion of them. The most recent very thorough look was taken by Ofsted, which basically confirmed what a lot of other people had written. You can tell also because what you can see very clearly is that there has been this strong incentive, and you can document it in the behaviour of funding agencies, to get the numbers up by encouraging providers to go for cheap, short apprenticeships where you can turn in 100 completions for the cost of maybe 10 in construction. We can document that at great length. Obviously we do not have a clue at the moment for the new ones. In 2014-15 there were only 400 starts on the new standards.

Q37 Chris White: Thank you. Can I change the topic slightly and just ask the panel what role do you think the public sector has in this whole initiative?

Professor Fuller: It links very clearly with the comments about the quantity, because the public sector target of 2.3% of workforce that is being introduced will of course help to achieve the 3 million target very easily. That I suspect is going to be achieved by the conversion route as opposed to new hires, because of other pressures in the public sector. It is certainly one that is going to make a big contribution to the numbers. It is not clear whether they are going to make much contribution to the quality issue.

Q38 Chris White: Thank you. Are you seeing any appetite through local authorities for apprenticeships?

Professor Fuller: I know more about it in the health sector. There is a strong appetite and you see it in the figures as well and the health sector is a training sector. It is in that business and the numbers have gone up significantly in that sector over the last few years. However, even in that sector I think they will find it quite hard to get up to 2.3%, because again, they cannot keep on hiring new people and there are question marks about whether you want to just be converting existing people to be accredited, because they are concerned about quality as employers. It is again a bit of an arbitrary target. I do not know where it came from. In other countries there are some percentages associated with sectors, so it is not like it has just been magicked, but I am not sure where it has come from and what the thinking is in this country. That is kind of typical, that these things get announced and suddenly they are there and people are scrambling around trying to make sense of them. It is symptomatic.

Q39 Chair: Alison, I know you have to go now, so you do not need to answer this question, so feel free to go if you need to. One of the things that I have been interested in during the last hour is the emphasis on having centrality of the private sector, the employers and indeed the public sector. What I am not clear about, although it has been hinted at, is exactly what kind of role you think the Government should be playing in addition to the role that it is now playing. I suppose the answer might be, “Well, we want to see what the Institute looks like” in which case I would like to see what you think it should look like, but I think we need to know from your vantage point what role the Government should be playing to address some of the issues you have highlighted in the last hour. Alison, do you want to go first and then Ewart and then Lynn?

Professor Fuller: We are not sure what the function of the Institute for Apprenticeships is going to be exactly. It is all very uncertain and that has been added to by the resignation of Rachel Sandby-Thomas recently. I have a quite close connection to the engineering employers and they are quite concerned about this. One of the things that it perhaps gives us an opportunity to do is to ask how the appointments on the Institute for Apprenticeships are going to be achieved. What kind of selection process? Is it going to be open? What kind of constituency, what kind of characteristics is that going to have? What kind of expertise is it going to draw on? It could be an opportunity to ask some direct questions now about how that is going to be constituted. In my view, there should be expertise there from employers, from expert providers, from professional bodies, from people who understand this landscape and are invested and committed into it. I am not sure at the moment we have seen that kind of approach, so we will see.

Q40 Chair: Okay, so that is the Institute in terms of board members and whatever. Ewart, what do you think Government should be doing? Do you think it should be interfacing with the Institute on a casual basis, or do you think there should be a framework created for all of this to happen?

Professor Keep: I think it would be very important that the Government and the Institute draw up a very clear contract as to who is doing what, how they interact and what powers the Institute have and the degree to which they can and cannot act autonomously. I think the Government needs to think very hard about its role as risk manager, because they are managing a huge and very complex project of change, as we have all noticed this afternoon, so they need to be on top of the risks. The few published risk assessment documents there are around the apprenticeship reforms are—I am going to use a gentle word here—cursory, because they are short and I do not think they get to grips with some of the risks involved.

The third thing I would flag up, because I think this is one of the things where we are a long way behind, the Government is correct in saying that employers need to take more ownership of apprenticeships and they particularly probably need to take more ownership of the on the job element. In order for a lot of employers to do that, we need to help employers to improve their capacity to design work, to design learning into work and to supervise trainees, so they need a good human resource development function. If you scroll back 35 years, the Manpower Services Commission had a large programme of work sponsored by the Employment Department that was around the training of trainers. The internal training capacity of UK firms needs to be increased. It is relatively weak and we know that. One of the things Government needs to do is place more stress on helping employers to become better trainers.

Q41 Chair: Thank you. Alison Wolf used the phrase, “The Government should hold the ring”. What does that ring look like in the context of this discussion, Lynn, or do you think it should be to one side then?

Dr Gambin: I guess if we are looking at it, we have been moving increasingly towards this employer-centric or employer-led system in the market for training. I suppose the Government role comes in in ensuring there is a baseline that looks out for the individual side, because if employers are investing in the apprenticeship, which they are increasingly expected to do, and the Government is also funding part of it, there is that third party that needs to be protected and that is the public investment side. Perhaps it is more generic with the transferable skills, that the Government will have more of a role to ensure that that meets a specific standard so anyone anywhere would understand, “I have done an apprenticeship” and at least there is a baseline for that.

Chair: I want to thank you all very much indeed. You will get a letter from us as well, and Alison especially so because she is not here to be thanked, but it has been a very interesting session and I think we have drawn something from it. Thank you.

Examination of Witnesses

Witnesses: **Mark Dawe**, Chief Executive, Association of Employment and Learning Providers, **Martin Doel**, Chief Executive, Association of Colleges, and **Shakira Martin**, Vice President (Further Education), National Union of Students, gave evidence.

Q42 Chair: Welcome to our second part of today's first session on our inquiry into apprenticeships. It is nice to see you all. Martin, I am especially pleased to see you because I thought you were moving on to another pasture.

Martin Doel: Not until September. I have to learn a new set of language to make what I say much more complicated, and every time I say anything I have to reference it with a footnote.

Q43 Chair: Well, it is great to see you here today. Could you all, starting with Mark, say who you are and what your purpose and institution is?

Mark Dawe: I am Mark Dawe. I am the Chief Executive of the Association of Employment and Learning Providers, so we represent about 800 learning providers. There are regional networks of about 2,000 and obviously we are involved in delivering a substantial part of the apprenticeship programme at the moment.

Martin Doel: Martin Doel, Chief Executive of the Association of Colleges, which represents and promotes the interests of the 320—this week—further education colleges in England, but also has close links with colleges in Scotland, Northern Ireland and Wales, and clearly an interest in the delivery of apprenticeships.

Shakira Martin: Hello, my name is Shakira Martin. I am the Vice President of Further Education for the National Union of Students, representing 7 million students across the UK. In 2014 we set up the National Society of Apprentices, to which we have 150,000 in all industries and sectors across the UK.

Q44 Chair: What is the purpose of that society?

Shakira Martin: The purpose of the society is a representative body to represent apprentices across the country and to put policy forward for the National Union to campaign on on their behalf.

Q45 Chair: Thank you. It is great to see you here. All three of you heard what we were getting at before and we are going to pursue the same sort of lines with you. I guess the overriding question is with all of these reforms, either started, underway or proposed, what are their purposes? Are they going in the right direction and can they be improved? Michelle is going to start off with some questions along those lines.

Q46 Michelle Donelan: Yes. Thank you all for coming. I was going to start with the key question to all of you in terms of how effective have the existing apprenticeships been and how pressing is the need for reform? Anybody can give those.

Mark Dawe: I think there is a high volume at the moment. If you look at Ofsted, they are saying 80% good or better in terms of delivery. If you look at employer satisfaction, if you look at learner satisfaction, it is all 80% and above for a whole range of questions, so they

are not totally dissatisfied with the system. Clearly there were some concerns that the apprenticeship programme and the apprentices that were coming out were not meeting employers' needs exactly as they felt they needed. It does feel a little bit like the baby out with the bath water here, so just, "Right, let's start afresh, get rid of qualifications and rewrite all of this".

When you go around and tell the majority of employers there are not going to be qualifications in their apprenticeship any more, they are appalled; you tell learners they are not going to be walking around with a qualification any more, they are shocked. So there are some changes that are going on that you have to question, but clearly having more employer involvement was a good thing. There is an extra £1 billion going in, which is great. How that is spent, how that is allocated between levy payers and non-levy payers again is a challenge.

Martin Doel: I would echo some of the points that Mark has made. I am concerned at the scale and pace of the reform programme. No doubt there was a need for some additional reform and to increase the scale of delivery, so those are the right things to do. The aggressive timescale that has been applied here and the breadth of the reform programme that you have heard about this afternoon in terms of wholesale changes to the standards, wholesale changes to the way in which apprenticeships are assessed, the wholesale change to the way in which apprenticeships are funded I think has taken a number of employers particularly by surprise in terms of the scale of that reform programme.

In terms of the timescales for it, this is an extraordinarily large project to carry out and I think I have said previously to some people if the Germans were doing this, I think they would have set a 10-year timescale and they would have applied a huge amount of governmental effort to preparing the ground and carrying forward this programme by consensus and over time. In our typically aggressive way, we are trying to do it in two years.

Q47 Michelle Donelan: Do you not recognise the timeframe is because of the need as well?

Martin Doel: I agree, but then there has to be a corresponding allocation of resource and policy-making expertise.

Q48 Michelle Donelan: So you are saying it is the process?

Martin Doel: I think subsequent to the election, there has been a good deal more resource applied to this in terms of civil service effort, consultation and determinate policy making, but the timescales have become inevitably compressed, so some of the detail that needs to be worked through has been worked through at real speed, which you could also say—as in the earlier session about Trailblazers having been taken forward with a limited amount of scrutiny in terms of the position we have now reached—we are very much making policy on the hoof at times, it feels, rather than doing this in a considered, properly pacey way, but nonetheless effective. I have to say post-May 2015 it got better in this regard, but there is still a huge amount of things to do on the project plan to deliver standards by 2017, to implement the levy, to begin to bring in end point assessments. The scale of this is very substantial.

Q49 Michelle Donelan: So in a nutshell you are saying to do it that fast you need more resources?

Martin Doel: You need more resources and a very strong project management plan, which is emerging now, but I think was not in place when the declaration of 3 million apprenticeships as a target was made. In policy-making terms—and I do not want to overstate this—we are doing it at warp speed and whether or not it would work out exactly as is planned in those circumstances is an open question.

Mark Dawe: There is an opportunity for some transitioning, I feel. Yes, let us keep the pace up, but let us make sure there is some transition through the funding, through the standards and everything, so it does not all change suddenly in one go. We can ease this through.

Shakira Martin: NUS welcomes and supports the ambitious target set by the Government to have 3 million apprentices. However, we do have some concerns about those apprenticeships turning into well-paid jobs at the end of it. I think fundamentally it comes down to quality. With apprentices being left out of being around the board of the Institute for Apprenticeships, it is quite frustrating to see how we can develop an apprenticeship programme or process without apprentices around the table. This current model for the levies being lifted from Europe, similar to what is happening in Germany, it does not seem that underpinning fundamental quality assurance issues has been raised with that. That is my concern.

Q50 Michelle Donelan: So it is listening to the apprentices more as well. How would you gauge that? You have set up your body and you are talking to them, but that will not be everybody that is in the system, so how would you listen to them to make sure that their views are reflected?

Shakira Martin: I am more than happy to put you in contact with the National Society of Apprentices. I know I put a question to Iain Wright at the FE apprenticeship forum and that is still welcome, and I will e-mail you shortly about that. I do think a big part of this process is missing, and that is information, advice and guidance not only to get the demand in, but also my concerns are about not blurring the lines in thinking that an apprenticeship is better than higher education and higher education is better than further education. I do not think without a plan to deliver significant, effective, efficient IAG to these young people will they be able to decide what route is better for them.

What I find increasingly frustrating when talking to Government are the statistics and facts, which I know are important in evidence and planning ahead. However, when talking about 3 million apprentices I would like to just remind the Government these are 3 million individual lives and we cannot afford to get it wrong, not only for resource purposes but for the purpose of that individual and a member of our society.

Q51 Michelle Donelan: Do you believe that the changes will include more young people or will listen to more people?

Shakira Martin: Based on the Institute for Apprenticeships not having training providers and apprentices around the table currently, as of today, no. I do think that if we get it right by listening to the voice of apprentices—like I say, an apprenticeship is nothing without an

apprentice, otherwise it is not an apprenticeship; it is just something else. I do think if you use NUS, and in our national society we have up to 30 elected leadership teams across the country, it would make a big difference in building this process and ensuring that the apprentices get what they require and what they expect out of it, which is a well-paid job and skills that are transferable that they can use in other industries and other sectors. It is not just about education. It is about education for a career and not just a job.

Q52 Michelle Donelan: A final question just for Martin and Mark. To what extent do you believe that the providers were consulted with the Government changes and how much of that consultation was listened to?

Martin Doel: I think increasingly so, but the limitation has substantially been about the pace, about getting things done. We have had good conversations with the apprenticeship teams doing the reforms and with Ministers, so I think we have been listened to, but things are moving at such a pace that it is quite difficult to assert reasoned, developed arguments at points. The team is on a really tight schedule and the opportunities to go and consult with apprentices, to consult with us, is necessarily constrained. We have tried to up our game in terms of coming to the table quickly to provide responses and we are doing that, but this pace issue, it is quite difficult to correspond with a process that is going this fast.

Mark Dawe: It started off with, “Let’s listen to employers and employers alone and they will lead the way” and then it has realised that providers did have an expertise and an understanding that needed to be listened to. A good example is the non-levy payers and expecting a contribution from them. There seemed to be a belief that this would work. All our providers talking to their employers, their employers were just totally stunned when they heard that in April they would be paying a contribution and we do not believe the 3 million target will ever get hit in 2020 if that happens.

If you talk to those small employers, they are investing time, some would say they are being the mother, the counsellor, giving them equipment, paying them, putting them on day release. They are not productive and they are taking productive staff away to train, so for 16 to 18 year-olds in the lower level apprenticeships, level 2, level 3, we just think if there is a charge it will cause a real problem. That is an example of where if we had sat down at the table at the beginning and talked through the policy and the approach, then maybe we would have had some influence upfront, rather than now coming back when things are starting to be set in stone, saying, “This is going to cause a problem”.

Martin Doel: Just to reinforce Mark’s point, at times it has felt like a very linear process, so you only wanted to speak to employers about standards, because the employer is the predominant voice in what the apprentice needs to be able to do, that is right, but that should have had some involvement from providers talking about what is achievable in terms of those standards, and then finally you are going to talk about the requirement to employers. You might have then talked to providers about how they deliver that requirement, then you might talk about audit bodies or assessment organisations and how you assess it. It started out feeling like a very linear process, “We are only talking to employers about the first one. We will come to you when we have the standards sorted out, and we will talk to you about how you deliver them. Then we will come to the people that do the end point assessments when we have reached that point” when in reality this needs to be seen as a holistic programme with everybody being involved in the

conversation with different leads at different points. That would have been a better way to do it. I think we have reached that point now, because the imperative of delivering is getting so close and we are getting involved in the conversation about how we get this done. So it felt linear and I think it has become more involving as it has gone on.

Shakira Martin: Just following on from what Martin said—and what I did not say in my first question—is that there are concerns about the definition of what an apprenticeship is, whether it is work, education, one or the other or is it both? That creates a lot of barriers going down the line for individuals, say, for example, an estranged 16 year-old who has moved out from their parent and it is classed as work so they are not entitled to council tax benefits. Again, they feel like they are being penalised for working or trying to better themselves, which again is off-putting and is probably one of the reasons why.

Q53 Ian Mearns: Is the role of the training provider sufficiently clearly defined in the employer-led system?

Mark Dawe: I think there has been an attempt to define them. The thing that worries me the most at the moment is the providers are the salesforce. They are the ones who are talking to the learners, they are the ones that are talking to the employers, yet they do not find on a Monday morning a queue of employers outside their front door saying, “I would like an apprenticeship”. They are out and about selling it and what they are saying to us is, “We are not quite sure what we are selling yet”. Many of the standards do not exist. There are no rules about the funding for levy payers and non-levy payers and these are employers that in April are going to start being levied and all the systems are going to change, so I think there are concerns definitely around that and how the providers are being engaged.

Q54 Ian Mearns: So what should a clearly-defined role look like in that case, from your perspective?

Mark Dawe: At the end of the day, our providers have the expertise in delivering the learning and the training, and we are not anti employers saying, “We would like to become a provider”, but they need to go through the same process that any other provider goes through with the quality inspection, with the audits that all providers face, because it is Government money and it is a Government programme. We might point out a bit more about what is the difference between just employer training and a Government apprenticeship programme, but if it is Government money going in, then those systems need to be in place. So there is a very clear role. It is not clear what the inspection regime is going to be. If the discussion is about the employer and the provider having a discussion about what the training programme will be up to the end point assessment, that is a decision between the employer and the provider. Does that mean both get inspected and how do you define what good learning is during the programme rather than just the end point assessment? There are many questions around that that are challenging and we are not hearing answers at the moment.

The last thing is the Alison Wolf anecdote that they went out and they could not find any decent apprenticeships. Those were frameworks that are Government frameworks. They were not the providers’ fault. The providers are just providing what is available and they get blamed for delivering the apprenticeship that they are being asked to deliver.

Martin Doel: To advance the question, I think defining the roles too simply is a mistake, particularly when you talk to smaller employers. In those relationships, I think the provider might have a role that was talked about in the previous session, of hand-holding and assisting that smaller employer, who might only take one apprentice on every five years in a different way than you would do a large employer like British Aerospace, who have a well-defined HR function and understand the system. They might present more in the way that theoretically, as Mark implies, the employer should come with an apprentice and look for somebody to do the training. That is a very simple system, but I think for many other employers they are looking for a more one-stop service in terms of a training provider to find the apprentice for them, provide the training and also handle some of the documentation and bureaucracy around this. That has been the pattern in the past and I do not think it is a bad pattern in relation to some employers. Simple role definition I do not think is capable of getting that and we need to talk more in terms of partnerships in this. Very much one of the things that I might take from the German model is a partnership model between the training providers, the chambers and the employers. We seem to be setting this up as a very much kind of directed system, when behaviours will not act in that manner.

Q55 Ian Mearns: So from your perspective, have the foundations yet been laid properly for these very ambitious governmental targets by 2020?

Martin Doel: I think they are beginning to be laid at pace. We could go back to the same thing, we are beginning to see the signs of that. I do not think they have been tested as far as they ought to be in terms of how people, as Ewart was saying in the previous session, might game the system, which is a tendency that is always liable to be out there, so understanding how people will behave and react to the policy I do not think has necessarily been modelled as far as it could have been at this stage, but I am sure work is going on in that regard.

Q56 Ian Mearns: But the task is not just about the quantity, which is the 3 million target, but it is also making sure that that 3 million target encompasses quality of provision.

Martin Doel: Exactly, and I think the last session particularly touched on it, and Mark did as well, that you need to have some clearer definitions of what quality is within the system. One of the simple things here you might argue is rather than having a concentration of 3 million starts you have a concentration of 3 million completions, which then begins to say you have achieved something from this funding rather than just activity. Then you can look at what is involved in a high-quality apprenticeship. One of the areas I think that probably is easiest to assess in terms of quality is the off the job training. It can be seen, observed, there can be measurable outputs from it. It is much harder to assess reliably what goes on in the workplace, albeit you can consider how you do this. We do need to think about what the relevant quality measures are here to ensure that we hit the target and do not miss the point.

Mark Dawe: That is the very point around assessment driving it, again that just because it is harder to assess should not mean we do not assess it. I think one of the debates that keeps going around—and I heard it again today—is the confusion between level type of apprenticeship, for example, what sector and quality. There are level 2 defined apprenticeships. They are delivered in a very high-quality way to the care sector, the retail

sector or the engineering sector and people seem to have views that a level 2 in the retail sector is not a quality apprenticeship. That is not what we are talking about when we talk about quality. It is, “Define the standard, define the expectation and then make sure it is delivered in a quality way.” That to me is what quality is.

Q57 Ian Mearns: Shakira, from the learner perspective?

Shakira Martin: Yes, so quality from a learner’s perspective is about on the one hand quality teaching and learning, ensuring that the assessors and the framework is put in place, not only just to let the apprentice go through the motions, but learn on the job. Again, that is being done by collaboration, working in partnerships with businesses, employers and the apprentices.

I do have concern about businesses taking on the role of training the employers, because they are not teachers and they do not understand about teaching theory and pedagogy, so I do think that if that is an option it needs to be considered. They need to be aware of what quality teaching and learning looks like to enable the apprentices to complete their course.

Q58 Ian Mearns: I guess from a learner’s perspective the bottom line is what lies at the end of the qualification in terms of employment prospects as well.

Shakira Martin: Definitely. That is the whole aim of them going into an apprenticeship, to get a job at the end, so quality would be when they are in a secure, quality, well-paid job.

Q59 Ian Mearns: To Mark and to Martin specifically, what role are your members playing in the development of the Trailblazer standards?

Mark Dawe: It varies. It depends often whether they have been invited. Sometimes they are definitely not invited. The ones where they have been invited we have had positive reports or reports like, “Thank God I was there, because I was able to explain that trying to assess or train in this way just won’t work”, right the way through to groups that we know are not involving either training providers or awarding bodies and they are coming up with ideas that when it hits the ground just will not be practical to deliver. So you have the whole spectrum, some really positive reports, but some really negative ones as well.

Martin Doel: Nothing really to add to that. That is precisely right. There is a spread of practice, there is no guarantee that training providers or colleges will be involved in the process and I think some of those that are being produced without that involvement have suffered as a consequence.

Q60 Ian Mearns: Would you regard the Government’s apprenticeship programme, its policy on apprenticeships and the process of further education, area reviews, as a complementary process?

Martin Doel: Area reviews—and I am trying to make the connections in a progressive manner—if they result in a pattern of colleges that are more stable, with greater ability to invest in the products that they are developing, and more able to deliver effectively to employers within their areas, should support the growth of 3 million apprenticeships. The danger is doing these two reform programmes at the same time with colleges who are necessarily concerned about their structural reform and therefore challenged to be

expansive and speculative about how they prepare themselves for apprenticeships. I think they are, but it has been, from an AOC point of view, a real effort on our part to continue to keep colleges up-to-date with what is coming in 2017 and to get them into a position to be prepared for that while they are going through an extensive review of their pattern of provision, how many there will be and where they will be. The challenge is doing the two things at the same time, but yes, one should lead to the other, with more capacity to deliver higher-quality apprenticeships.

Q61 Ian Mearns: The way in which that is being done, does that feel like joined-up Government to you?

Martin Doel: I think it is joined up on the paper. I do not know if I feel it is joined up in the practice.

Mark Dawe: The independent training providers are not part of the area review process. They deliver about 76% of apprenticeships on the ground and if the apprenticeship programme is the major focus for vocational learning alongside what happens with Sainsbury, then it does not feel that joined up, but while the colleges are having to look at their structure and everything, our guys, senior management teams, are out talking to employers and preparing them for the levy. So there are people on the ground out there doing that work now, but it does flow through.

Martin Doel: One area where I think I am more convinced that scale is important in the size of a college is in the delivery of apprenticeships. Insofar as with the money moving to levy payers having the money rather than the college getting a grant, it has become inherently more speculative as a business and will reward having dedicated, professional business development units within colleges, which is hard to build within a relatively small college that might be more exposed in terms of having lost or won a particular contract. Area reviews leading to fewer, larger, more resilient providers in the context of apprenticeship delivery has some logic to it.

Q62 Chair: Thank you. I am going to move on to the Institute of Apprenticeships and ask Mark and Martin in particular what role you think that Institute should have when it is fully formed. Mark?

Mark Dawe: Every time there is a difficult question, we are told the Institute for Apprenticeships will resolve it, and they do not have a board or management team or staff yet, as far as I can tell, so that is the difficulty, that all these—

Q63 Chair: It is a clean sheet of paper. It is very clean, and you yourself have made that clear, so what do you think you should put on that paper?

Mark Dawe: We are keen to be part of it. It goes back to the point that employers should have a role there, but it is important that the providers are there because they have the expertise of delivery. There is definitely a role around quality and they have been given the role through end point assessment. I do not quite get why when there is a Government agency that does quality on assessment, but that is a different discussion. There is a role there, there is a role about maintaining the standards. This comment that was made earlier by one of the Alisons around refining and changing rather than major system change all

the time, if we can get into a system where there is a conversation about the apprenticeship standard, “Does this work? Do we need to tweak it? Do we need to add in a unit?”

It goes back to your automotive things. The automotive glazing, great, but there should be a core automotive learning unit and then you specialise in particular areas. At the moment we are going in the other direction, we are getting the specialism and I think maybe, especially if Sainsbury comes in with fewer routes, there will be a need to start retrofitting. That is what the Institute for Apprenticeships should be doing, it should be holding the baton around those standards and around the quality.

Chair: Martin, do you concur with that?

Martin Doel: I think it should oversee all elements of technical and professional education. To give a new organisation a more burgeoning role just beyond apprenticeships seems to add to the problem that Mark identified, giving it new jobs before it even exists. I do not see any logic that you would have a separate body overseeing the implementation of the Sainsbury panel, the recommendations for college-based or classroom-based technical and professional provision separately from apprenticeships. I would be looking at both aspects of technical and professional education. I would be seeing that they oversee standards, that they put in place quality processes. It does not mean to say they have to carry out the quality checking, but that they ensure that rigorous and proper quality measures are in place. I think they need to be in a position to determine whether or not the economic impact of technical and professional education is being realised in terms of gains in productivity and that there should be an expert but independent adviser to Ministers on this area of business. To do that, I do think it needs to be employer-led but not employer-dominated, so there would be value both in having an apprentice representative on there to bring that perspective to bear on the business and providers at the table also, but the preponderance of numbers within that board you would expect to be employers providing that advice.

I have to say, when the last session talked about how they would be recruited, I do not want to look backwards in this, but the UK Commission for Employment and Skills had a perfectly good process for open recruitment to the Commissioners that involved providers and employers as well, and I can see that as a reasonable template to adopt for setting up the Institute in the first place.

Finally, I would agree with Mark, I think you could see the Institute usefully bringing together some of the apprenticeship standards, the Trailblazer standards, into families where you could identify core skills and then more specific skills relating to narrower occupations. In that way they could bring together the recommendations of the 15 technical professional routes of Sainsbury and apply that as an organising concept to the Trailblazer standards. So I think overseeing technical and professional education generally would be the role I would be seeing for them.

Chair: Thank you. Shakira, what would you like to say?

Shakira Martin: I just have three points that I would like to make. One thing that I would ask is that the Government should not be confused about the aim of meeting the requirements for skills for individual employers. By doing that, it means that it needs to employ a dominated institution. NUS also believes that it is vitally important for

professional training providers again to be around the table for them to be able to have understanding of teaching pedagogy to be able to ensure quality standards and oversight for your premises to do that.

Q64 Chair: Thank you very much. How do you think when this Institute is up and running—and I appreciate we do not know what it looks like—we should be formulating ways of measuring its performance and holding it to account and checking it is doing what it should be doing?

Mark Dawe: There was a question along those lines the other day. I went back to the point that all the indicators at the moment seem to show that employers are quite happy with the apprenticeship programme, the engagement, the productivity benefits they get, the staff that come out of it are all positive in the 80%, 90% and for learners as well. So my point was if these indicators are saying things are so great but the employers are saying they are not, what is it they are measuring? What is it that they are concerned about? Let us make sure we are measuring those things so that we know what the baseline is, which seems to be they have a low view on some things, and let us make sure those are achieved as well.

But also the benefits for the learners. There is this balance—and this is a Government-funded programme with Government money—to ensure that young people, young adults, get portable skills that they can use and that benefits obviously the employers but also the individual. There does need to be that balance, because otherwise we might as well just let the employers do their own training for their own business and leave it at that. The whole reason this is a Government programme is that wider skills base and the wider benefit and that portability.

Martin Doel: It is going to have to be this great question, and one I have not given as much thought to as I perhaps should have done in the past: there is going to be a variety, a range of measures. The one measure I know it should not be measured against is 3 million apprenticeship starts. It should be measured in terms of the quality of those apprenticeships, the quality of the conversations they have engendered with employers and, more likely, if you are going to take a macro-level assessment of their effectiveness is what productivity gains have we achieved as a consequence of the reforms of technical professional education that the IFA is being charged with overseeing.

Chair: It is a very interesting point, thank you. Shakira, do you have any thoughts?

Shakira Martin: When people are in well-paid, secure jobs that they are happy with, for me that is a benchmark of success and progression.

Q65 Chair: All 31 million of them?

Shakira Martin: 3 million of them.

Chair: No, I was thinking about you said when people are in secure jobs there would be 31 million people.

Shakira Martin: That is the thing that we need to do. We need to ensure that there are jobs for these young people to do once the apprenticeship is over.

Chair: Okay, thank you.

Q66 Stephen Timms: Can I ask you just a bit more about the apprenticeship levy? Mark was present at a seminar we had a month or so ago when there were some draconian warnings about what the apprenticeship levy might do. What is your assessment of how employers' willingness to offer apprenticeships is likely to be affected by the introduction of the levy?

Mark Dawe: Overall it is a great thing. It is engaging 85% of the large employers that were not engaged before, even if it is them looking at it and saying, "We will just pay the tax". But they are all looking at it; they are all talking about it. The finance director is talking to the HR director, there are conversations. It will drive the game changer for technical and professional education. I used the phrase this morning "a parity of opportunity". We will see at 18 opportunities to go through higher apprenticeships, degree apprenticeships, alongside the academic HE route, and parents and young people will think equally about both of them. Especially what is described as the £100,000 choice: £50,000 worth of debt into university and 55% do not get into a graduate job, or at 18 you go in, probably earn £50,000 and you are in a graduate job at the end of it. That is getting quite a stark choice. That is fantastic.

We have to watch for dead weight activity in gaming. There are 235,000 employer-funded degrees at the moment. If they all just flipped over into apprenticeships that would be a loss that would not be right. I am worried about the non-levy payers. No matter how hard I push, to me it sounds like they are going to pick up the scraps of the levy.

Q67 Stephen Timms: Can you explain to us a bit more why you are worried about them?

Mark Dawe: Because the only budget we are told is available is the levy and the expectation is the levy payers will not spend it all, so there will be some money left for the non-levy payers. But I believe that those levy payers will slowly use up that levy. They will find ways of using it up, and in a positive way. I am not saying this is a bad thing. They will have a whole range of apprenticeship programmes. As far as we are told, there is no other money. So at the moment there are about £800 million, probably £900 million, of SME apprenticeships being delivered. There is no guarantee that that will stay at that level. If the money starts running out, the organisations, which I believe are the drivers of innovation and productivity, are the ones that may not have access to money to support apprenticeships. That just seems wrong. One of the commitments we are looking for is at least guarantee the amount of money going to SMEs that is there at the moment, if nothing else, just so we have some certainty going forward.

Q68 Stephen Timms: Do you think the concerns about non-levy payers have been addressed adequately so far?

Mark Dawe: This is where the 3 million target helps, because our view is that in the run-up to April there is a lot of selling going on at the moment, because a lot of apprenticeships are free. When employers are finding out they could be contributing up to a third, we have talked 10%, 20%, 30%, they just say, "No way. I am just going to do a bit of training myself so that the person can do the job. I am not paying for the Government's

programme, particularly at level 2, level 3” which does not give them enormous amounts of productivity during the apprenticeship programme. They are not going to pay for it. We do think the numbers will just fall away in April.

That is where the 3 million helps, because if they want to hit that target they have to support the SMEs, and this is my point about transition. At least if you had two or three years of saying, “We want you to pay in the long run, but in the short term we understand this is a big change. We will support you, we will support you at 16 to 18 year-olds, level 2, level 3, and over time expect to start having to pay something”. That would be a much better approach and help quality apprenticeships and hit the target.

Martin Doel: Pretty much the same as Mark said. I will keep it fairly short. I do think the levy was a game changer—is a game changer—in terms of ensuring at least we have the prospect of 3 million high-quality apprenticeships rather than 3 million things that we can afford from normal revenue funding. So it has opened the door to the potential for high quality. It is also a potential game changer in the types of conversations we will have with employers, because employers will be more sensitised to the fact they are paying the levy, therefore become more aware of apprenticeships and talk about taking on apprentices. Those are all clearly good things.

It is a very complicated area of public policy. As Mark implies, there is a concern about displacement, employers paying and then seeking to rebrand other training, which we have seen with the Train to Gain and other examples in the past. There is also the potential for employers gaming the system more directly as employer providers to consume their own levy, rather than getting truly additive training in terms of what the employer is receiving. So those all represent complications. It is still complications, although Ewart said he thought they had a solution to the boundary issues of across borders, I do not believe those issues are resolved for people like British Aerospace working in the Bristol area as clearly as he implied.

With Mark, my greatest concern is about non-levy payers. The presumption that they would make a cash contribution, particularly to 16 to 18 apprenticeships, where arguably you are still in the business of the period of entitled education up to age 18, which it seems quite strange to me that you can have fully funded 16 to 18 education if it is fulltime, but if it is an apprenticeship then the employer is going to have to pay as an SME for a part of that education. It just seems somewhat strange and anomalous to me. But also in terms of the point Mark was making is there is no history of having made payment in this area and how you introduced a cash contribution, it is difficult to see what the consequences will be. But the 3 million target, I agree, is helpful in this limited regard.

But the other thing, to be fair to the apprenticeship team, they will not know what surplus exists from the levy until you start to apply the levy. Up until that point you are going to make a broad calculation to what surplus you might have and also what more general revenue funding you might have available in BIS in order to sustain SME. So whatever way Ministers do this, they are going to have to take a gamble or a risk or a calculated gamble in the first few years around SMEs, which strikes me as being a potentially problematic area.

Mark Dawe: Can I just add one bit about funding breaks, because we are moving from a rates system—there is a set rate—to what has been described as a cap with a negotiation

with every employer, with a provider, about what the funding per apprentice will be by standard, by age and everything else. I get why that is there, to create a bit of competition, create efficiency, but our real concern then kicks in around quality. If you had a cap and some unscrupulous providers are walking around saying, “I can do you two for one, we will scrape through the EPA. We might teach the test. There is a bit of a GCSE reflection here, do not worry about all the training, they just have to get through this test and then we can draw down the money”. If that sort of thing starts happening, it is going to undermine the whole quality agenda. If we are not going to have rates, at least have bands where you say, “This is the 100% rate, but we do not expect it to drop below, say, 70%, so aim in that range”. Because if you go below 70%, there is no way you can deliver a high-quality apprenticeship to all those learners.

Q69 Stephen Timms: So you are happy with the idea of a cap, but you think there ought to be an underpinning level?

Mark Dawe: Our preference is a rate, so you just agree what you are going to do for a set rate. But if there is going to be a cap, then we think there should be a base, a floor, as well.

Q70 Stephen Timms: What factors do you think ought to be taken into account in deciding what the cap is?

Mark Dawe: Under many qualifications now and delivery qualifications, it is the cost of delivery, and that is why you have standards that are costed from £3,000 up to £27,000 depending whether it is high-end engineering with substantial learning, substantial equipment over a number of years with complex assessment, or something that is pen and paper and you do not need the same equipment. It goes back to the quality point. They are both high-quality apprenticeships, they are just different delivery and involve different time and different processes.

Martin Doel: I would not want to contradict Mark’s general point because I share his concern, but just to show how it is hard to predict behaviour here, I spoke to a large employer just last week whose view is the polar opposite to that. They said they are unlikely to use the full amount of their levy because of their workforce requirements. So they absolutely wanted to buy at the cap, so they would buy the highest quality possible from the levy that they were contributing because they would have less not used, so they would negotiate up to the cap. This is my whole point about modelling behaviour and understanding behaviour in the system.

The other thing I would add, if you are going to go through this negotiation process every time, you are inevitably making it a more complicated system. There are more touch points, negotiating points, contracting points, points of dispute, but if you had, as Mark suggested, either a rate or a band below within which you would operate, then you would make the negotiation process simpler both for providers and for employers.

Stephen Timms: Shakira, have you anything to add on the levy?

Shakira Martin: Yes. In principle NUS welcomes the levy. However, we are disappointed in a lack of ambition of how employers will spend the levy, because we believe that these funds could be used to widen access and get much more different types of groups of people involved within the apprenticeship. But instead it seems like it is geared

exclusively for training, reserved for training. I just want to emphasise again that the system should be education for career and not just for a job. It should be accessible for all, so we think the levy misses out a great opportunity to guarantee a wider spread of young people.

Q71 Stephen Timms: Can I pick you up precisely on that? This moves towards the next question that is going to be raised, but the census data says that 7.5% of the UK population currently is Asian. As far as I can see from the apprenticeship stats, only 3.7% of apprenticeship starts last year were by Asian apprentices. There is quite a serious issue about under-representation of ethnic minority groups among apprentices currently, which I think is the point you were just starting to move towards. I wonder whether you think this is something that ought to be addressed and, if so, what ought to be done about it.

Shakira Martin: Yes, 100%. There is definitely an issue regarding both ethnicity and gender-based barriers, for example, not only for BME people and Asian people as well, but regarding the amount of women who will get into STEM projects, and having equal pay for men and women to be able to go into different industries. I know the Government has had a commitment to increase BME apprenticeships among the BME by 20% in 2020 and it will be important for the Government to confirm that this is a commitment about the rate of apprenticeships taken up by BME and not just a number. So I want to see how this is going to be done in principle and what other agencies are they going to be working with to engage these type of young people at a community level.

Q72 Stephen Timms: Sorry, what do you mean by the rate as opposed to the number? What is the distinction?

Shakira Martin: I do not want this just to be a number that is plucked out of the air to be seen to be done, but again, I am going to reiterate that it is not about getting 20% of BME students into apprenticeships, but continuing that progression, in them being in secure well-paid quality jobs.

Q73 Stephen Timms: What sort of things do you think need to be done to attract more ethnic minority persons?

Shakira Martin: You need to be working on these young people to be able to understand their worth and their self-value and have the confidence to step outside the comfort zone and know that an apprenticeship is a start to an end and you are going to have work hard. It might not be the right amount of money that you want at the time, but the progression and the career success is endless. But again, you need to go in and let these young people know the options by giving them clear, efficient and effective IAG. Without any IAG, I do not believe this is going to be as effective because an apprenticeship is not for everybody, same as higher education and further education, and I do not want it to be blurred to say one is better than the other, but we need to make sure that this is for the best of the individual person and that will differ.

Q74 Stephen Timms: Do you have any views about why it is? It seems that young people and not so young people from ethnic minority communities are less willing to start on

an apprenticeship than people from other groups. In quite a number of the apprenticeships, women are significantly under-represented as well. Do you have a view about why that is?

Shakira Martin: Yes. It is like discrimination of how young people are viewed, especially black and BME people, in the newspaper. There are a lot of BME people who at school are dyslexic and it is not addressed until they have gone into college, so they have lacked confidence, motivation, they have come from a community of deprivation and do not know how to get out of that or what a career path is. So there needs to be a lot of work to address that individual self-confidence. With women, as a woman and a mother myself, I know how hard it is to be a working parent and it is not easy. There are no perks other than not being a statistic to the Government, so to speak. But again, it is about women not being able to feel confident to be in a workplace and have progression, and especially single parents who have caring responsibilities. There needs to be better support mechanisms, which I believe could be used from the levy money, raised from the levy, to support these people back into work, because again you are feeling penalised for trying to better yourself.

Q75 Stephen Timms: Mark and Martin, what do you think about these diversity issues, apparent under-representation in most apprenticeships?

Martin Doel: It makes a great case, which is very immediate as well. I do not know that I have a great deal more to add, but to add the fact that some of these are fairly deeply embedded gender stereotypes and cultural stereotypes that are going to take some time to redress. Career education is one element of redressing that, but also it is about delivering high-quality apprenticeships so people see that they are progression routes to good jobs and a prosperous future. Over time you would expect to break those stereotypes down.

We have to dig in for the long term on this, as well as taking short-term action, and be persistent about how we present the different types of apprenticeship so you do not get gender stereotypes being borne out with hairdressers being women and engineers being men, and both are possible. We might need to be persistent and we need to be determined around this.

Q76 Stephen Timms: Are there examples of colleges doing a better job on this than the average? Across the system there is a worry here. Can we look at particular colleges who are doing well?

Martin Doel: I am not briefed if there was, Stephen. I will say some colleges are demonstrably doing better around STEM for women than others. I would anticipate those that are doing better with STEM for women will do better around apprenticeships for women. In terms of BME reach, some colleges disproportionately made provision to BME populations compared to universities and to schools. Therefore, as colleges move more of their provision towards apprenticeships, then you would expect an increase in BME involvement in apprenticeships, but I could not say that is a guarantee.

Q77 Stephen Timms: It looks to me as though the BME under-representation in apprenticeships is worse than in higher education, from what I can see from these.

Martin Doel: You perhaps need to be more targeted in that as well. Putting BME as one definition does not tell you enough rich information to say where within that BME

population are apprentices not being taken up and where are they being taken up. Anecdotally, the Afro-Caribbean BME population is probably not as disproportionately out of apprenticeships as the Asian population. We need to be more targeted in order to address the issue.

Mark Dawe: The only thing I would add is obviously this reflects a wider employment, education and social issue. It is not just apprenticeships here. Let us remember that a lot of apprenticeships come out of existing workforce, so if that existing workforce is not representative then you are going to get apprenticeships that are not representative as well.

One of the interesting issues will be—and this is more of the social issue—the thing I was talking about, the game changer and the apprenticeship route at higher levels being seen as an equal if not better route for higher education, whether the sharp elbows of the middle classes come out and take those places, and we still have this social issue of elbows over access. We have to monitor this very carefully and make sure there is proper access for everyone through the different levels.

Chair: Does anyone have any further questions for our panel? We have covered a fair bit of ground there and we are about to have a Division anyway. I want to thank all three of you for some excellent contributions. It has been very good and you will look forward to our report, I hope. Thank you.