National Apprenticeship Service

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Background and introduction

1 Published on 28 January “World-class Apprenticeships: Unlocking Talent, Building Skills for All” announces important plans to expand the availability of Apprenticeships. The Report of the Review of Apprenticeships, carried out by the Prime Minister’s Strategy Unit, DIUS, DCSF and the LSC, explains how the Government will extend Apprenticeships so that many more employers and apprentices will benefit from the training and development that they bring.

2 The Report of the Review sets out a comprehensive package of measures around five key areas designed to make it easier for employers to take on Apprentices, as well as actions to improve further the quality of Apprenticeships. The five themes are:

- the quality of Apprenticeships
- the planning and delivery system
- the supply of employer places
- the status or profile of Apprenticeships
- inequality of access to Apprenticeships.

3 The plans will be delivered through a new National Apprenticeship Service which initially will be formed as a separate and distinct service within the LSC and launched in April 2009.

Purpose

4 This paper provides a summary of the key themes in the Report on the Review of Apprenticeships, together with progress made since publication of the report.
**Recommendation**

5 The Council is asked to:
- note the key themes in the report and progress made; and
- comment on the proposals in the Review Report, including priority areas for action.

**Key points/issues**

**Review report**

6 Attached as an annex to this paper is a summary of the main proposals in World-class Apprenticeships.

**Progress**

7 A small core team has been established to set up the National Apprenticeship Service, working closely with DIUS and DCSF. The core team, led by David Way is being supported by colleagues across the LSC working on aspects such as delivery arrangements, the matching service, performance, HR and communications.

8 An Apprenticeship Steering Group, Vacancy Matching Group, together with an Apprenticeship Review Working Group have been established to advise on policy development and implementation, as well as performance. In addition, an Implementation Plan setting out how we will achieve the ambitions in ‘World-class Apprenticeships’ is in preparation.

9 An active programme of meetings, round tables and conferences is in place in order to generate feedback on the Report and priorities for action. Apprenticeships Week also provides a great opportunity to promote Apprenticeships and the work the LSC is doing.

10 A first draft of an Apprenticeship Communications Strategy paper and accompanying Action Plan has been prepared, along with a presentation on the Review Report for use internally and with external stakeholders. The paper addresses each of the Review sections and analyses the message, the audience and the means of bringing them both together. It includes an immediate toolkit of information; plans for engaging with a range of key sectors; general stakeholder engagement; the use of events; and specific Public Affairs and Political/Public Sector Stakeholder work.

11 Looking ahead, key tasks include:
- appointment of the NAS director – DIUS lead;
- agreeing delivery arrangements for the NAS within the LSC;
- producing an implementation plan for the actions arising from World class Apprenticeships;
- identifying areas where we can demonstrate early progress’ including the LSC’s work on public services and opportunities for big companies to train more apprentices than they need for themselves;
• developing pilot proposals for a number of the initiatives outlined in the report, including incentive payments for employers, super mentor trials and group training associations trials to boost collaborative SME approaches to Apprenticeship places;
• introducing the Apprenticeship Vacancy Matching Service;
• developing proposals to boost performance;
• preparations for a summer 2008 Campaign to increase the take-up of Apprenticeships.

12 Our intention is to demonstrate that the LSC is responding positively to the challenges and the ambition in World-class Apprenticeships; and that the National Apprenticeship Service can draw real strength by being integrated within the LSC and delivering a coherent service to employers, individuals and in supporting providers.

Clearance
13 With David Way, National Director for Apprenticeships.

Legal implications
14 As the NAS is to be established as part of the LSC initially it will not have a separate legal status from the LSC and the legal framework which applies to the LSC as set out in the Learning and Skills Act will apply to the NAS in relation to delegation of functions, appointment of staff etc.

Financial implications
15 The funding implications of the proposals in the Review Report are being worked through in liaison with DIUS.

Communications
16 Published by the Government on 28 January, this publication, together with “Ready to work, skilled for work: unlocking Britain’s talent” form part of a wide ranging strategy on welfare reform. Both documents describe how Government and employers can work together to unlock Britain’s talent and help build a workforce that has the world class skills it needs in an increasingly challenging global economy.

17 The LSC welcomes the review findings. We have already attracted a record number of apprentices and employers—around 100,000 Apprentices now complete their Apprenticeship each year in England compared to 40,000 in 2001/02, with quality and rates of completion improving all the time - 24% in 2001 to 63% today.

18 We will continue to play our full role in delivering Apprenticeships – reaching out to those who haven’t considered them before and those who need it most to get in and on at work, as well as increasing the demand for
level 3 skills and further expanding Apprenticeships to people aged 25 and over.

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Annex

World-class Apprenticeships:
Unlocking Talent, Building Skills for All

- Published by the Government on 28 January, this publication, together with “Ready to work, skilled for work: unlocking Britain’s talent” form part of a wide ranging strategy on welfare reform.
- Both documents describe how Government and employers can work together to unlock Britain’s talent and help build a workforce that has the world class skills it needs in an increasingly challenging global economy.
- The Report of the Review sets out a comprehensive package of measures designed to make it easier for employers to take on Apprentices, as well as actions to improve further the quality of Apprenticeships.
- The overall strategy is grouped into five themes:
  - the quality of Apprenticeships
  - the planning and delivery system
  - the supply of employer places
  - the status or profile of Apprenticeships
  - inequality of access to Apprenticeships.

Strengthening Apprenticeships

- Improving the national blueprint to include:
  - entry criteria;
  - personal learning and thinking skills - ‘soft skills’;
  - the rights and responsibilities of employers and Apprentices;
  - suitability criteria and level of skill to be achieved; and
  - progression routes.

- Legislation to clarify the legal status of Apprenticeships.

- Nationally consistent completion certificates.

- Integrating Apprenticeships with the rest of learning, including evaluating all Apprenticeship frameworks in terms of UCAS points.

- Protecting the Apprenticeship brand, including:
  - re-forming and prioritising Programme-led Apprenticeships to include a strong employer link;
- removing the term “Pre-Apprenticeships” whilst recognising the importance of courses to equip learners with the basic skills to progress to a level 2 pathway; and
- only counting as Apprenticeships those with employed status.

- Improving the quality of Apprenticeship providers:
  - minimum levels of performance;
  - encouraging more to expand or come into the market;
  - greater employer involvement in the delivery of training- either directly on their own or as part of a consortia.

**New Delivery System**

- Central to the Government’s proposals is new, focused leadership for the Apprenticeship programme through the creation of a new National Apprenticeship Service (NAS). The NAS will bring together a wide range of services and operations which are currently dispersed among a range of agencies

- The NAS will have end-to-end responsibility for the Apprenticeship programme, including ultimate accountability for the national delivery targets .

- In the immediate future the NAS will be formed as a separate and distinct service within the LSC.

- The Government wants the NAS to be established as quickly as possible, and fully functional by April 2009.

- The NAS will operate both at national and sub-regional level and will have a significant dedicated field force to undertake the role outlined above on the slide. The dedicated field force will:
  - complement the skills brokerage service ;
  - work with employers and Apprentices from initial interest to completion and progression;
  - help careers guidance staff in schools and colleges; and
  - manage relationships with other stakeholders, including Local Authorities and Sector Skills Councils.

**Boosting Employer Supply**

- Clear growth potential:
  - Currently around 10% of businesses offer Apprenticeships and the penetration of the programme is very uneven – by sector, by region and by employer size.
  - Penetration is particularly low among public sector employers. The public sector directly employs around 20% of the national workforce but provides less than 10% of Apprenticeship places. Also, only 7% of
public sector employees are aged 16-24 compared with 16% in the private sector.

- A more **flexible and responsive model** to be developed for Apprenticeship frameworks:
  - tailored to individual employer needs
  - brought into place quickly
  - accreditation of employers’ own training onto the QCF.

- **Employer representatives** to help set up programmes and an employer responsive budget

- **All Apprentice experience** to be recognised as “an Apprenticeship”, including that not reliant on public funds

- **Direct incentive payments** for:
  - SMEs with fewer than 50 full time employees; and
  - large companies to help improve the supply chain

- **Additional funding** for Apprenticeships for those aged 25 and over

- An **Apprenticeship ‘credit’** for 18 to 19 year olds – delivered via skills accounts

- Support for more **employer ownership** of Apprenticeships including NAS ’seed capital’ fund

- Introducing **Public sector targets** and duties

- Promoting Apprenticeships in **strategic procurement projects** e.g. Olympics.

**Culture change**

- A dedicated information service – the **national matching service**

- **Legislation** to require schools to include Apprenticeship information in their materials

- Clearer **progression routes** to higher education to be built

- Stage 4 pupils “taster” **work experience opportunities** to be increased

- Raising the **profile** of Apprenticeships:
  - Annual calendar of high profile regional/national awards
  - Publication of an annual list of successful Apprentices
Addressing Inequality

- Disappointingly, not everyone benefits equally from the opportunities Apprenticeships offer. The 2005 Apprenticeships pay survey found a 40% pay differential between male and female Apprentices, and the Labour Research Department’s Workplace Report of 2006 also found that 70% of Apprentices at advanced level were male. In addition, black and minority young people are badly underrepresented in Apprenticeships, as are disabled people.

- The NAS to implement a **programme of positive action**, including:
  - ‘critical mass’ pilots of under-represented learners focussed on specific regions and sectors that demonstrate the greatest inequalities;
  - a London-specific campaign;
  - a roll-out of group training organisations to provide support, including mentoring and “pre-Apprenticeships”;
  - ‘super-mentors’ to support under-represented Apprentices through their experience;
  - training towards an Apprenticeship for offenders serving community service orders;
  - contractual wage regulations to be fully enforced; and
  - a review of Apprenticeship pay by the Low Pay Commission.