

61% drop in apprenticeships requires urgent action from ministers

Brexit skills challenges, social mobility and Britain's falling productivity are three good reasons why ministers must act quickly to address the massive 61% fall in apprenticeship starts since the apprenticeship reforms were introduced in May.

The government might also be concerned about its 3 million apprenticeship manifesto target and skills to support the Industrial Strategy, but AELP believes that it's the fall's impact on young people's prospects and social mobility which represents the biggest worry.

There are several reasons behind the collapse in numbers (SFR October 2017: <http://bit.ly/2x4rV7j>) but nearly all relate to the design of the reforms that accompanied the levy's implementation. Constituencies where there are few or no levy paying large employers may have seen a severe decline in starts because of a switch away of government priorities from SME employers, who have traditionally accounted for a sizable majority of apprenticeship opportunities, towards the large levy-paying employers.

NHS Trusts, textile manufacturers in Yorkshire, small engineering companies across the country and sporting bodies who can't train up their next generation of coaches are all saying that the apprenticeship reforms are severely hampering their ability to run good apprenticeship programmes. AELP is therefore calling for DfE ministers to:

- **restore incentives for employers to recruit young apprentices**
- **halt the decline in apprenticeship opportunities at levels 2 and 3**
- **guarantee a minimum £1bn budget for the apprenticeships of non-levy paying SMEs.**



Smaller employers are resisting a new financial contribution requirement towards the cost of training and assessment while many private and public sector organisations say that another new rule requiring **20% of apprenticeship training to be 'off the job'** is inflexible and costing them too much in terms of non-productive output and staff backfill. More importantly there are many examples of on-the-job training that are far superior to the off-the-job equivalent. AELP argues that the employer-led trailblazer groups should be given the responsibility to decide what percentage is appropriate for their particular sector. We are offering to work closely with each Institute for Apprenticeships and DfE employer panel for apprenticeship and T level standards. AELP runs its own sector groups, which include independent training providers, colleges, universities, employers and end point assessment organisations, that can help these panels to be a success. But it should be clearly understood that there is a lot of work to be done on the standards, their end point assessment and funding before the system will deliver what is needed for employers and learners.

Bizarrely the government also seems intent on effectively wiping out half of the 1,000 training providers that less than 6 months ago the Education and Skills Funding Agency (ESFA) was happy to approve as quality suppliers in its official register of apprenticeship training providers. This will be the likely outcome of the August 2017 procurement exercise that the agency undertook for the delivery of apprenticeship training to non-levy paying SMEs, which replaced a previous one which was so badly designed, it had to be scrapped. Many of these providers are good specialist, niche and most importantly local trainers and AELP is calling for them to be allowed to continue to operate under previous subcontracting rules at least until the next tranche of reforms take effect in April 2019. Otherwise many jobs will be lost and the skills sector will lose experienced and expert practitioners.

AELP social mobility blueprint calls for better skills support for 16-18 year olds

AELP's recent submission to the DfE on how apprenticeships and traineeships can make a big difference in advancing the social mobility agenda attracted plenty of attention at this autumn's party conferences. It says that all apprenticeships for 16 to 18 year olds should be fully funded by the government irrespective of the size of the employer. The submission can be read here: <http://bit.ly/2yNGzni>.

The number of starts on traineeships fell by 14.6% in 2016-17 despite repeated messages of support for the programme from ministers and youth unemployment remaining stubbornly above half a million. The success of the programme is being damaged by clunky funding processes and inappropriate performance measures. The DfE tells us that progression rates remain impressive, especially when 20% of trainees are apparently self-declared SEND/LLDD and yet we are still lacking a demand responsive funding system for the programme. Therefore AELP has made more commitment towards traineeships one of its main ticket items in its pre-Budget submission to the Treasury which can be read here: <http://bit.ly/2z3i9a8>.

Time to abandon compulsory GCSE resits for English and maths

AELP CEO Mark Dawe spent GCSE results day touring the broadcasting studios calling for the government to abandon its compulsory resits policy for English and maths. Less than a quarter of the 150,000 students aged 17 and over who resat GCSE maths this year achieved a grade C or above. For English, the proportion of passers was just 29%. The government has said that it will review the resits policy after next year's exams, but AELP believes that it is strongly in the interests of a post-Brexit economy to waste no more time on further reviews – instead of continuing with mass failure, 2017 should be the final year for compulsory resits.



Many household name employers involved in drawing up the new apprenticeship standards for their sectors have already voted with their feet by choosing attainment of Functional Skills as a key element of a successfully completed apprenticeship and training providers say that the 'applied' option should be available across all education provision for 16 to 18 year olds. An upfront assessment of learners should be introduced to help determine whether they should do GCSEs or functional skills – this is about what is good for the learner and the employer, not government statistics. Functional skills within an apprenticeship should also be funded at the same rate as classroom provision.

T Levels should be a welcome boost for technical education post-Brexit

T Levels will offer young people an alternative route to a technical qualification instead of doing an apprenticeship. Although predominantly classroom based, they will require 45-60 days of credible work experience and independent training providers with their strong employer relationships are ready to play their part in local partnerships to ensure that the technical education reforms are a success. While we have thankfully moved away from the elitist occupational approach in the original Sainsbury review, much work still needs to be done on the reforms' design including not allowing the technical standards to divert far from the new standards already devised for apprenticeships. While progression to higher levels is key, AELP believes that T Levels should start at level 2 to give more young people an opportunity to follow this route.

Better value for money needed from the Adult Education Budget

Because the grant allocated part of the £1.5bn Adult Education Budget (AEB) was underspent to the tune of some £280m last year when bids to it from independent training providers were 6 times oversubscribed, the government should be moving the budget over to a fully commissioned model. This will help achieve its priority outcomes of successful traineeships, skills for the adult unemployed to find work and more attainment in literacy and numeracy. The Combined Authorities and LEPs should also use the commissioning model to meet local economic priorities when the AEB is eventually transferred to them.

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