

National Audit Office – The Apprenticeship Programme

Initial UVAC Response to Recommendations

a. The DfE should set out clearly how it measures the impact of the programme on productivity and indicate the level of impact that it is aiming to achieve.

UVAC welcomes this recommendation which was central to our submission to the NAO. We have long argued that despite the plethora of quality assurance organisations engaged in Apprenticeship none had specific responsibility for measuring the impact of Apprenticeship on the central objective of the programme, increasing UK productivity. We believe high level and high skills Apprenticeships, such as Degree Apprenticeships are fundamental to ensuring Apprenticeship has the maximum impact on raising UK productivity.

b. The DfE should strengthen the programme's performance measures relating to the participation among under-represented groups.

UVAC has long argued that Apprenticeship should develop as an aspirational programme for individuals of all backgrounds. It is of critical importance that Apprenticeship is open and accessible to individuals from all backgrounds. Although early days we are seeing evidence of how, for example, Degree Apprenticeships can attract more women into digital occupations and how Degree Apprenticeships can open a ladder of opportunity for individuals in the public sector and to professional, technical and managerial occupations.

c. The DfE and ESFA should assess whether they should secure better value for money by prioritising certain types of apprenticeships, rather than delivering a programme for apprenticeships at all levels and in all sectors.

For some time UVAC has predicted that the levy pot will be overspent and that prioritisation of funding and 'rationing' will be introduced. We would argue that prioritisation should be based on the impact £ for £ of specific types of Apprenticeship on the objectives of the Apprenticeship programme; improving productivity and enhancing social mobility. We believe if conducted on the basis of independent evaluation the evidence will demonstrate higher and Degree Apprenticeships have a substantial impact on increasing productivity and will support the development of a progression ladder of opportunity and social mobility. The economic value of some, but certainly not all, lower level Apprenticeships, must be open to question examples include, business administration, customer service and retail. Indeed, the reduction in employer spend on level 2 Apprenticeship suggests employers believe prioritising other types of Apprenticeship is more important in terms of enhancing productivity and business performance. We would suggest Apprenticeships should be prioritised on the basis of their correlation with the skills gaps and shortages in the UK economy – in both the private and public sector.

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DfE and ESFA should ensure the large public sector levy payers can fully recover their levy and have access to the Apprenticeships they need – Police Constable Degree Apprenticeship, Register Nurse Degree Apprenticeship, Social Work Degree Apprenticeship and the apprenticeships needed to enhance the skills of the managers and senior leaders they. We have and will continue to argue for the ring fencing of the Apprenticeship levy paid by the public sector – levy payments made by the public sector should not be used to fund Apprenticeships used by non-levying paying employers in hairdressing, retail or hospitality. Finally, it is critically important that prioritisation is informed if not determined by the Government’s Industrial strategy. We would highlight the critical importance of management skills identified in the Industrial strategy and the fact that a deficit of management skills was highlighted as a key factor in the UK’s productivity gap.

d. The ESFA should better mitigate the key risk that Apprentices may not spend 20% of their time on off the job training.

Particularly for Apprentices aged 16 – 19 and lower level Apprenticeship provision the 20% off the job training requirement is fundamental and must be better enforced by ESFA. For Degree Apprenticeships the specification of a credit value (e.g. at bachelors level) 360 credits provides confidence that learning is and has taken place. For Apprenticeships at all levels a key to success will be ensuring the integration of on and off the job learning.

e. The Institute should improve assessment arrangements to ensure that assessment is conducted in a fair and consistent and robust manner across different apprenticeship standards and between different assessment organisations.

UVAC would suggest that the approaches developed/being developed by the regulators Ofqual and OfS/QAA based on proven process offer the greatest consistency and assurance. PSRBs also play a crucial role. Although stability is important – it could be appropriate to explore how the external quality assurance role should be restricted to Ofqual, OfS/QAA and where appropriate a PSRB. This would work as follows Ofqual (at level 2 and 3 and where recommended by a Trailblazer at levels 4 – 7) and by OfS/QAA (at level 4 – 7 and of course always in the case of a Degree Apprenticeship). A Trailblazer could alternatively specify a PSRB.

f. The DfE and HM Treasury should determine how spending should be treated and how budgets should be set in order to secure the future financial viability of the programme. This should include giving due consideration to whether spending on the programme should be treated as annually managed expenditure.

UVAC would welcome far great involvement of HM Treasury in Apprenticeship. Apprenticeship is a productivity programme and this calls for the strategic engagement of HM Treasury (and BEIS) in planning and monitoring of Apprenticeship. We would ask for a robust debate on how employers, individuals and the nation gets the maximum benefit from the Apprenticeship levy pot. Unlike the current situation where funding bands can be changed with only three months’ notice it is crucial that changes are introduced with sufficient notice to enable both employers and providers to plan.

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