

Apprenticeship Update – Rural Forum

Apprenticeship numbers in Swale 2013/14

As can be seen in the table below in the current academic (up to April 2014) apprenticeship numbers are generally down from the previous year. This said, the last quarter (to August 2014) should see a faster rate of take-up, with as it covers the period within which students in year 11 are looking at their options and employers choose to advertise apprenticeships.

Courtesy of an engaged business community and pro-active promotion of apprenticeships, Swale is performing better than virtually all districts in Kent, in terms of both absolute numbers and performance against last year's total.

	2012/13 Full Year	2013/14 August to April (provisional)	2013/14 to date as % of previous year's total
England	504,200	309,800	61.4
South East	68,960	42,990	62.3
Kent	11,600	6,570	56.6
Medway	2,870	1,760	61.3
Ashford	1,160	500	43.1
Canterbury	1,040	520	50.0
Dartford	730	480	65.8
Dover	970	600	61.9
Gravesham	800	460	57.5
Maidstone	1,180	680	57.6
Sevenoaks	690	350	50.7
Shepway	1,040	550	52.9
Swale	1,280	840	65.6
Thanet	1,400	840	60.0
Tonbridge and Malling	750	420	56.0
Tunbridge Wells	560	330	58.9

Apprenticeship reform

Background

In June 2012 the government asked entrepreneur Doug Richard to perform a review of the apprenticeship system. He was tasked with looking at how to build on the success of apprenticeships to:

He published his review in November 2012 and the government committed to implementing all of his principles in a new system. These included that:

- the testing and validation process should be independent and the apprentice should be tested at the end of their apprenticeship;
- all apprentices should have level 2 (GCSE equivalent) in English and maths before completing their apprenticeship; and
- purchasing power for investing in apprenticeships should lie with the employer with the price representing demand.

The reforms that are now being implemented are divided into two strands, funding and standards.

Employer Routed Funding

The government is completely reforming how apprenticeships are funded. In the current system the government pays a training provider to deliver an apprenticeship. The employer currently chooses their training provider but is only directly responsible for employing the apprentice and providing the apprentice with work experience and skills development. The training provider has dealt with all the administrative tasks, including ensuring the apprentice is eligible, whilst delivering the training and assessment for the apprentice.

Under the new system the employer will be required to purchase training and assessment for their apprentices from registered training providers. The government will part-fund these costs but the employer will be required to make a cash contribution, unlike in the current system. Once an employer has selected providers to deliver training and assessment, which are separate, they will need to negotiate a cost and a payment plan with the provider.

Once the employer has registered the apprentice on a government system, to check eligibility, they will be able to claim the government contribution. This will either be through the PAYE system or through Apprenticeship Credits, which will involve direct payment into a dedicated apprenticeship account. The final announcement as to the preferred system is awaited.

Apprenticeship Standards and Trailblazers

The parallel to funding reforms, the Government expressed a wish to improve standards in apprenticeships, setting out a new set of standards, scrapping some frameworks and asking employers to take a lead in the design of courses. To begin the reforms the government tasked eight occupational areas to be the first to undergo the changes. These are led by groups of employers titled Trailblazers. The Trailblazers have been leading on the design of training to meet the standards and designing an end-point assessment. Apprenticeships on these new standards are expected to start in 2014/15, with further standards to be designed for other occupational areas over the course of the next year.

The intention of these reforms is to:

- increase the quality of apprenticeships
- put employers in the driving seat
- simplify the apprenticeship system
- give employers purchasing powers.

They do, however, place a greater burden upon employers, both financially and administratively. There is a concern that this may act as a disincentive, particularly to SME's. With the introduction of an employer fee, even for 16-18 year olds, that are currently fully funded, this may result in employers looking to recruit older apprentices.

The Government is currently seeking to finalise the model it wishes to implement, post-consultation, and we await the release of further detail.