United Kingdom

Country report

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1. Country background and context

The UK EP4A Country report provides an overview of the current situation in the United Kingdom in relation to the Vocational, Education and Training sector with specific focus on the Apprenticeship sector.

The UK Apprenticeship sector is one of the oldest work-based learning sectors in Europe, and one could argue, in the world with its foundation in the Middle Ages.

This report will review:

- UK Labour market, unemployment & enterprise
- VET systems & structures
- Apprenticeships: legal & governance
- Qualification structures
- Sector co-operation
- Financing, Quality Assurance & Labour Market responsiveness
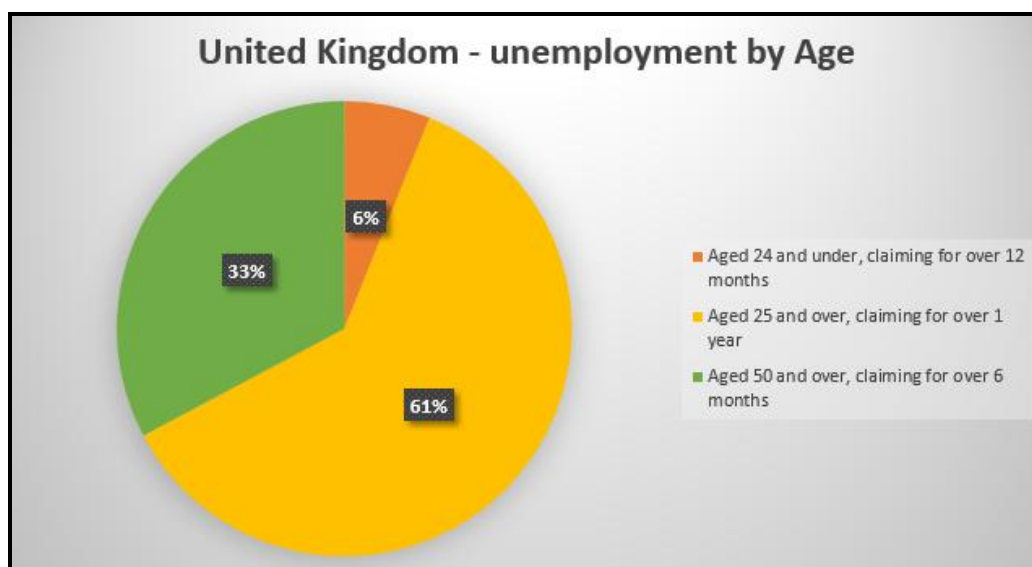- Conclusions

1.1 Labour market situation

In the UK, 2.1% of the population are claiming out-of-work benefits (NOMIS – February 2017). 77% of those unemployed and claiming out-of-work benefits, live in England. With only 7% based in Northern Ireland; 10% in Scotland; and 6% in Wales.
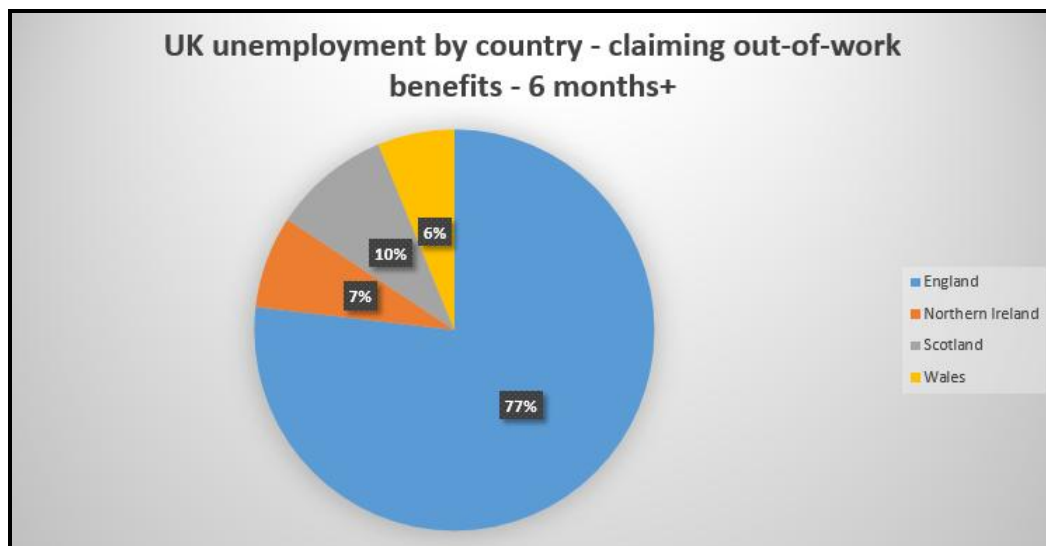
Office for National Statistics - 2016

Age, and unemployment, has a significant relationship in the UK. For instance, an individual is far more likely to be unemployed if are aged 25 to 49, than if aged 18-24 or 50+. However, the numbers for these age groups fluctuate based on where an individual lives in the UK. The below chart

identifies that the age split for the unemployed currently stands are: 61% aged 25-49; 33% for 50+; and 6% for 18-24 year olds claiming benefits for 12 months+.

United Kingdom - unemployment by Age

- Aged 24 and under, claiming for over 12 months
- Aged 25 and over, claiming for over 1 year
- Aged 50 and over, claiming for over 6 months

Office for National Statistics - 2016

Unemployment in London – 2016

Over 10% of the UK's unemployed are based in London. Overall, 1.9% of London's population are currently receiving out of work benefits (Office of National Statistics – Feb 2017). At a borough-level, unemployment is spread throughout the capital, with 14 boroughs with less than 6.8% of unemployment, and similar to the overall London 5.6% unemployment. However, there are catchments of higher unemployment above 6.8%.

LB of Ealing; Tower Hamlets; Newham; and Barking & Dagenham, all have unemployment above 8.5% throughout their boroughs. Furthermore, LB of Brent; Enfield; Greenwich; Lambeth; and Croydon, currently have unemployment figures of 8.0% to 8.5%. LB of Islington; Lewisham; Southwark have unemployment levels of 7.0% to 8.0%. LB of Hillingdon; Haringey; Waltham; and Redbridge have levels of unemployment 6.8% to 7.0%.

Youth Unemployment in London

Youth Unemployment in London, currently equals 2.4% based on the Office for National Statistics February 2017 data.

London is host to over a million young people, highly diverse ethnically, with White young people representing over 50% of the youth population. Young people from a mixed ethnic background represent: 6.6% of youth. Young people from an Asian/Asian British background represent: 22% of

youth. Young people from a Black African/Caribbean/British background represent: 14.6% of youth. Young people from another ethnic group represents: 3.9% of youth.

Youth in London - key statistics

Currently across London, 1,152,517 people from a minority ethnic group hold no qualifications, this equates to 17% of all members of a minority ethnic group (NOMIS 2016).

14% of members of the Black community (Africa/Caribbean/Black British) hold no qualification.

According to London Poverty Profile for 2015, 45% of Black pupils in London, leave school without achieving the target GCSE standard. 35% of all 19 year old Londoners have a qualification below Level 3, with 12% lacking a Level 2 qualification in London.

1.2 Economic sectors

Key industries in London

The Office of National Statistics annual Labour Force Survey for London (April 2014-March 2015) identifies a range of key industries entered by young people aged 16 to 24 over a 12-month period. See below the information for London:

Industry	Number of young people (16-19)	Number of young people (19-24)
Manufacturing	Unknown	3,300
Construction	2,300	5,700
Distribution, hotels & restaurants	7,000	11,600
Transport & communications	2,400	5,100
Banking	3,000	10,800
Public admin, education & health	3,600	10,300
Other services	3,500	6,500

Sectors, where young people were not accounted for based on the Labour Force Survey reported included:

- **Agriculture & fishing**
- **Energy & water**

London is increasingly more urban and suburban, so the lack of young people entering Agricultural jobs in London is not unusual. On the fishing jobs front, although London is based on the Thames, there exist no significant fishing industry in the city, beyond retail-related jobs i.e. fisheries. As a significant energy and water consumer, it is surprising that the Labour Force Survey could not account for any young people entering the Energy & Water sector. The Labour Force Survey indicates

that the industry for this age group is so small, it cannot be accounted accurately. Energy and Water is a sector, which will continue to grow in the forthcoming years and requires a well-trained and ready workforce.

1.3 Enterprise size

The UK's business count is segmented into four different categories: Micro; Small; Medium; and Large. Over 89% of all UK businesses are Micro (9 staff and under) representing over 2,277,480 businesses. UK businesses following under the Small category make up 8.9%, with Medium representing 1.6%.

Enterprises	UK (Numbers)	UK (%)
Micro (0 to 9)	2,277,480	89.2%
Small (10 to 49)	227,450	8.9%
Medium (50 to 249)	38,890	1.6%
Large (250+)	9,690	0.4%
Total	2,554,510	100%

**Office for National Statistics (NOMIS) - 2016**

These statistics, from the Office for National Statistics have their origins from the Inter-Departmental Business Register and only includes businesses on the VAT and PAYE registers.

Based on a House of Commons Library Briefing Paper (Number 06152, 23 November 2016), there are in fact over 5.5 million businesses in the UK. 99% are SMEs. 5.3 million are Micro-Businesses.

Micro-Businesses account for 32% of UK employment and 19% of turnover.

Enterprise	% of UK Employment
Micro-Enterprise	32%
Small	15%
Medium	12%
Large	40%

House of Commons briefing 06152 - 2016

Number of businesses per 10,000 resident adults, 2016
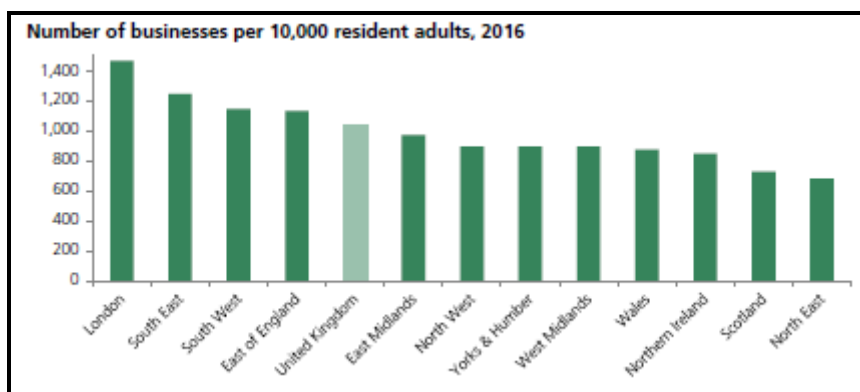
House of Commons briefing 06152 - 2016

The combined annual turnover of UK SMEs was £1.8 trillion, which equals 47% of all private sector turnover in the UK

1.4 VET system

The VET system is structured differently in each country within the United Kingdom, because power is devolved:

England: VET is managed by Department for Education (DfE).

Wales: VET is managed by the Department for Children, Education, Lifelong Learning and Skills

Northern Ireland: VET is managed by the Department for the Economy.

Scotland: VET is managed by the Minister for Education and Young People and the Minister for Enterprise, Transport and Lifelong Learning. This is further overseen by the Scottish Executive Education Department (SEED) and the Scottish Executive Enterprise and Lifelong learning Department (SEELLD).

The below diagram indicates the possible route ways available in the UK:
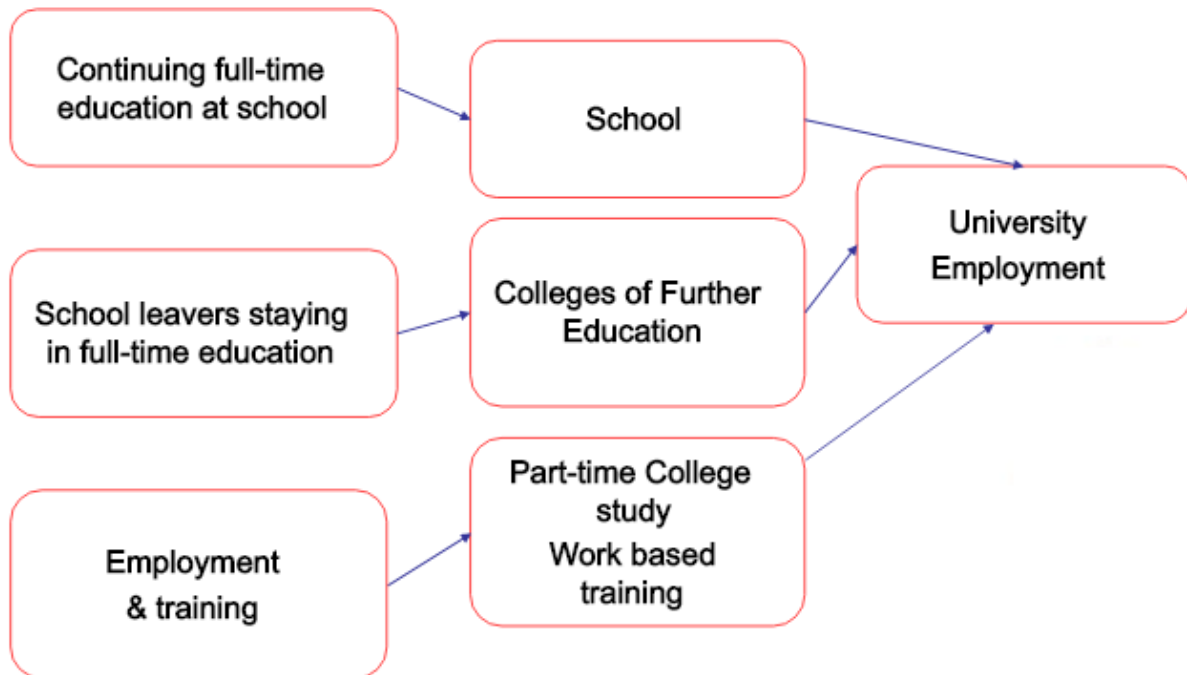
Career route-ways chart

The below diagram is Ofqual's overview and illustrates how the National Framework in England and Wales works between Academic, Vocational and wider educational frameworks.
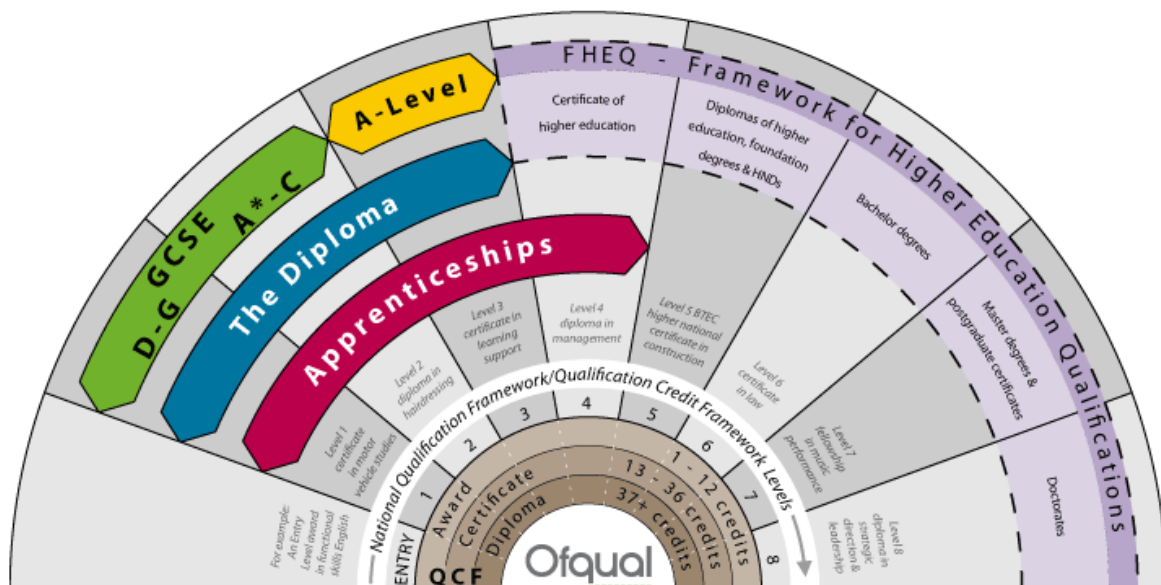
Ofqal National Framework in England and Wales

The below diagram provides guidance on how the wider frameworks in England, Wales, Northern Ireland and Scotland:

▪ National Qualifications Framework for England, Wales and Northern Ireland.

- Credit and Qualification Framework for Wales
- National Framework of Qualifications for Ireland
- The Scottish Credit and Qualifications
- Framework for higher education qualifications in England, Wales and Northern Irelan

Main Stages of education / employment	Qualifications and Credit Framework/National Qualifications Framework for England, Wales and Northern Ireland www.ofqual.gov.uk		Credit and Qualification Framework for Wales www.cqfw.net		National Framework of Qualifications for Ireland www.nfq.ie		The Scottish Credit and Qualifications Framework www.scqf.org.uk		Framework for higher education qualifications in England, Wales and Northern Ireland www.qaa.ac.uk/ac/academicinfrastructure/fheq	
	Level		Level		Level		Level		Level	
Professional or postgraduate education, research or employment	8	Vocational Qualifications Level 8	8	Doctoral Degrees	10	Doctoral Degree Higher Doctorate	12	Professional Development Awards Doctoral Degrees	8	Doctoral Degrees
Higher education Advanced skills training	7	Fellowships NVQ Level 5 Vocational Qualifications Level 7	7	Master's Degrees Integrated Master's Degrees Postgraduate Diplomas Postgraduate Certificate in Education (PGCE) Postgraduate Certificates	9	Master's Degree Postgraduate Diploma	11	SVQ Level 5 Professional Development Awards Postgraduate Diplomas Master's Degrees Integrated Master's Degrees Postgraduate Certificates	7	Master's Degrees Integrated Master's Degrees Postgraduate Diplomas Postgraduate Certificate in Education (PGCE) Postgraduate Certificates
	6	Vocational Qualifications Level 6	6	Bachelor's Degree with Honours Bachelor's Degrees Professional Graduate Certificate in Education (PGCE) Graduate Diplomas Graduate Certificates	8	Honours Bachelor Degree Higher Diploma	10	Bachelor's Degrees with Honours Professional Development Awards Graduate Diploma Graduate Certificates	6	Bachelor's Degrees with Honours Bachelor's Degrees Professional Graduate Certificate in Education (PGCE) Graduate Diplomas Graduate Certificates
Entry to professional graduate employment					7	Ordinary Bachelor Degree	9	Bachelor's/Ordinary Degrees Professional Development Awards SVQ Level 4 Graduate Diplomas Graduate Certificates		
Specialised education and training	5	NVQ Level 4 Higher National Diplomas (HND) Higher National Certificates (HNC) Vocational Qualifications Level 5	5	Foundation Degrees Diplomas of Higher Education (DipHE) Higher National Diplomas (HND)			8	Higher National Diplomas (HND) SVQ Level 4 Professional Development Awards Diplomas of Higher Education (DipHE)	5	Foundation Degrees Diplomas of Higher Education (DipHE) Higher National Diplomas (HND)
	4	Vocational Qualifications Level 4	4	Higher National Certificates (HNC) Certificates of Higher Education (CertHE)	6	Advanced Certificate Higher Certificate	7	Professional Development Awards Higher National Certificates (HNC) Certificates of Higher Education (CertHE)	4	Higher National Certificates (HNC) Certificates of Higher Education (CertHE)
Qualified/Skilled worker Entry to higher education Completion of secondary education	3	NVQ Level 3 Vocational Qualifications Level 3 GCSE AS and A Level Advanced Diplomas	3	NVQ Level 3 Vocational Qualifications Level 3 GCSE AS and A Level Welsh Baccalaureate Qualification Advanced	5	Level 5 Certificate Leaving Certificate	6	SVQ Level 3 Advanced Highers Highers SVQ Level 3 Professional Development Awards National Progression Awards National Certificates		
Progression to skilled employment Continuation of secondary education	2	NVQ Level 2 Vocational Qualifications Level 2 GCSEs at grade A* - C ESOL skills for life Higher Diplomas Functional Skills Level 2 (English, mathematics & ICT)	2	NVQ Level 2 Vocational Qualifications Level 2 Welsh Baccalaureate Qualification Intermediate GCSEs grade A* - C	4	Level 4 Certificate Leaving Certificate	5	Intermediate 2 Credit Standard Grade SVQ 2 National Progression Awards National Certificates		
	1	NVQ Level 1 Vocational Qualifications Level 1 GCSEs at grade D – G ESOL skills for life Foundation Diplomas Functional Skills Level 1 (English, mathematics & ICT)	1	NVQ Level 1 Vocational Qualifications Level 1 GCSEs at grade D-G Welsh Baccalaureate Qualification Foundation	3	Level 3 Certificate Junior Certificate	4	Intermediate 1 General Standard Grade Scottish Vocational Qualifications (SVQ) 1 National Progression Awards National Certificates		
Secondary education initial entry into employment or further education	Entry Level	Entry Level Certificates (sub levels 1 – 3) ESOL skills for life Functional Skills Entry Level (English, mathematics & ICT)	Entry Level	Entry Level Certificate (sub levels 1 – 3)	2	Level 2 Certificate	3	Access 3 Foundation Standard Grades National Progression Awards National Certificates		
							2	Access 2 National Progression Awards National Certificates		
Qualifications can be taken at any age in order to continue or return to training					1	Level 1 Certificate	1	Access 1		

Ofqual comparison table

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2. Apprenticeship in United Kingdom

2.1 Apprenticeship in your country – distinguishing features

A brief history of the UK's Apprenticeships systems

Apprenticeships in the UK, particular in England have their origins in the medieval craft guilds in the Middle Ages. By the Tudor period, apprenticeships was seen as an acceptable form of training. As well as craft training, the master of the apprentice was also responsible for the „latter's moral welfare; and gave him board and lodgings" (House of Commons: a short history of apprenticeships in England: from medieval craft guilds to twenty-first century link).

The first national apprenticeship system was established in 1563 by the Statute of Artificiers, which set the an official an apprenticeships' terms and conditions, similar to the UK apprenticeship minimum standards today. Apprenticeship popularity in the craft sectors declined in the early nineteenth century due to the bad conditions in factories and perceived exploitation of apprentices. However, apprenticeships in professions and certain industries (engineering, shipbuilding, plumbing, electrical work) became more popular.

Growth continued throughout the century, the result being by 1960s over 30% of boys left school to become apprentices. However, the overall quality of apprenticeships were coming into question. This resulted in a decline, with half as many apprentices in employment in 1995 compared to 1979.

The UK current apprenticeships were launched in 1993. Entitled Modern Apprenticeships, apprentices were officially recognised as employee and were allowed to claim a proper wage for their work. Apprentices could be aged up to 25 years old. Furthermore, the relationship included a written agreement between apprentices and employers; the qualification became the focus, instead of the length of time, and the apprenticeship was a minimum of Level 3 qualification, equal to A-levels. This was soon followed by the Level 2 programme (equal to GCSEs) called the National Traineeship, which intended to be a progression route for would be apprentices who were not ready for a Level 3 qualification.

By 1998 over 250,000 people in England and Wales were on a Modern Apprenticeship. The businesses involved were SMEs with few employees. Key sectors included: Engineering; Retailing; Business Administration etc.

Eventually, the National Traineeship programmes became Foundation Modern Apprenticeships. Level 3 Modern Apprenticeships became Advanced Modern Apprenticeships.

These changes were soon followed by the development of national frameworks for each sector qualification, ensuring their existed a minimum recognised standard throughout Apprenticeship training providers.

By 2004, a re-brand of apprenticeship programmes took place again, with the creation of Advanced Apprenticeships (Level 3 upwards) and Apprenticeships (up to Level 2 and later called Intermediate Apprenticeships). The Upper age limit of 25, was removed.

Furthermore, pre-apprenticeships were created for young people not ready for a full apprenticeship programme. Young Apprenticeships for 14-16 year olds were also launched in schools.

This was soon followed by the government's apprenticeship offer: where the UK had a duty to provide an apprenticeship place for every qualified young person aged 16 to 19, who wished to complete one. However, this was never implemented once the Coalition Government came into power.

With the arrival of the Coalition Government, Higher Apprenticeships were launched, equal to foundation degrees. The Young Apprenticeship scheme ended. An Employer incentive grant was launched for small firms wishing to hire 16 to 24 year old apprentices. The Employer incentive scheme equalled £1,500 per Apprentice outside of London, or £3,000 for London SMEs.

Between 2009 to 2012, apprenticeships doubled following the launch of apprenticeships for the 25 plus.

In 2012, new minimum standards were put in place which stated that an apprenticeship must last at least 12 months, offer 30 hours' employment a week and a minimum amount of guided learning. Maths and English through Functional Skills qualifications also became a requirement for those apprentices' who had not earned a level 2 (GCSE level) in these subjects.

Changes to the UK's Apprenticeships programmes continue. Following the Richard Review of Apprenticeships, a new funding system is piloted throughout the UK, which will see employers being put in charge or the design of apprenticeship schemes and the funding available.

UK Apprenticeships - defined

In the UK, an apprenticeship is employment which includes work-based training Allowing an apprentice to earn while they learn, and gaining a nationally recognised qualification.

In the UK, Apprenticeships take between one and five years to complete and are available in 1,500 occupations across 170 industries varying from construction to manufacturing through to IT and the creative and digital sectors.

Apprenticeship qualification levels depend on an apprentices' current skills and qualifications. Apprenticeship have equivalent educational levels:

Name	Level	Equivalent educational level
Intermediate	2	5 GCSEs passes at grades A* to C
Advanced	3	2 A level passes

Higher	4,5,6 and 7	Foundation degree and above
Degree	6 and 7	Bachelor's or Master's degree

The UK Apprenticeship structure include three key elements:

- **Employment**
- **On-the-job & off-the-job training**
- **Industry-recognised Qualification (including Functional Skills, where applicable)**

In some instances, a final assessment will take place at the end of a programme to assess the apprentice's ability and competence in their job role.

Apprenticeships - Qualification

Apprenticeship Qualifications, utilised the Qualifications and Credit Framework or QCF. It replaced the UK's National Qualifications Framework (NQF) in 2015. It recognises qualifications and units by awarding 'credits'. Credits can be collected, and eventually builds into a qualification, at the learner's own pace. QCF qualifications are regulated by Ofqual in England, DCELLS in Wales and CCEA in Northern Ireland. As discussed earlier in this report, Scotland utilises a different regulation system.

Each unit equals a certain level of credits. Complete enough credits and the Apprentice can gain their qualification. QCF qualifications are available from Entry Level to Level 8.

The QCF system is also broken down into three types of qualifications:

- **Awards**
- **Certificates**
- **Diplomas**

Type	Credits	Learning hours
Award	1 to 12 credits	10 to 120 hours
Certificates	13 to 26 credits	130 to 260 hours
Diplomas	37 credits +	261 hours +

Ensuring quality of Units and Qualifications

Quality, is a element of QCF. A unit and qualification is designed by an Accreditating body, and includes several layers of quality assurance through assessments.

In order for an Apprenticeship provider to deliver a qualification, they must be accredited by an accreditating body. The Apprenticeship provider, must have staff qualified to deliver the programme. Qualified staff include: Assessors, who are responsible for the delivery and assessment of learners work; the IQA (an Internal Verifier, who holds an Internal Quality Assurance qualification or its

equivalent) checks the learners work, ensuring that the Assessor is correct in both their assessments and support of a learner; this is followed by a EQA (External Verifier) visit from the Accreditating body checking both Apprenticeship provider's overall quality, again through assessing the IQA and Assessors assessment of learners' work.

	UNIVERSITY		
LEVEL 8	Doctorate PhD		
LEVEL 7	Master's Degree MA, MSc, MPhil		
LEVEL 6	University Degree BA, BSc		
LEVEL 5		Foundation Degree FdA, FdSc	HND
LEVEL 4			HNC
LEVEL 3	A-Level / A2 / AS	L3 Extended Diploma (National Diploma)	L3 Diploma (National Certificate)
LEVEL 2	GCSE Grades A-C	L2 Diploma (1st Diploma)	
LEVEL 1	GCSE Grades D-G	L1 Diploma (Foundation)	
ENTRY LEVEL 3	Key Stage 3	E3 Diploma (Foundation)	
	SCHOOL / 6TH FORM	F.E. COLLEGE	

QCF Levels against the wider VET sector (Accreditated Qualification website)

2.2 Legal framework

In the UK, the apprenticeships legal regulations is designed and organised by the UK individual VET departments for each country:

England: Apprenticeships are managed by Department for Education (DfE), with Ofqual responsible for the qualification in line with QCF.

Wales: Apprenticeships are managed by the Department for Children, Education, Lifelong Learning and Skills (DCELLS) in line with QCF

Northern Ireland: Apprenticeship qualifications are managed by the Department for the Economy, with CCEA responsible for the qualification in line with QCF.

Scotland: Apprenticeships in Scotland are managed by the Minister for Education and Young People and the Minister for Enterprise, Transport and Lifelong Learning. This is further overseen by the Scottish Executive Education Department (SEED) and the Scottish Executive Enterprise and Lifelong learning Department (SEELLD). Apprenticeships are in line with SCQF: Scottish Credit and Qualification Framework and regulated by the Scottish Qualification Authority (SQA).

2.3 Governance structure

In England and Wales, Ofqual is the key governance body, and CCEA in Northern Ireland and SEED/SEELLD in Scotland. Accrediting Bodies also play a key role in ensuring a quality standard and granting of qualifications in Apprenticeships.

In England, the Skills Funding Agency (the Skills Development Board in Scotland), is an executive agency sponsored by the Department for Education and is responsible for allocating apprenticeship and training providers funding to delivery qualifications. The Skills Funding Agency supports over 1,000 colleges, private training organisations and employers through its £3.2 billion annual budget.

UK Accrediting bodies include:

- **City and Guilds**
- **NCFE**
- **ABC awards**
- **EAL**
- **EdExcel**
- **ECITB**
- **OCR**

Alongside the countries qualification and accreditation bodies, exist the National Apprenticeship Service (NAS). NAS is responsible for apprenticeships in England. NAS' main role is to work with employers, helping more of them take on apprentices, and to work with those who advise learners so that more young people and adults are able to benefit from the experience of work-based learning and can become occupational competent.

NAS aims to:

- increase the number of apprenticeship opportunities
- provide a dedicated, responsive service for both employers and learners
- simplify the process of recruiting an apprentice through online web-based matching service

Furthermore, Sector Skills Councils also play key roles in the promotion and development of Apprenticeship frameworks, ensuring sector specific qualifications meet the needs of the actual sectors involved.

These systems are currently going through a re-structure, and will change greatly once the Apprenticeship Levy comes into play.

Training content and learning outcomes

How is the training content created? What is the process? Are the learning outcomes described and how? What is the process?

Training content is developed by the Accrediting body. In some cases, training providers can design their own qualification, and send it to their Accrediting body for it to become accredited .

Learning outcomes a identified by the staff at an accrediting body, who are generally qualified Assessors, IQAs and EQAs in their own right. The accrediting body identifies the QCF from the Unit to the overall Qualification. To identify the Unit, the following elements must be agreed:

- Value of the Unit in Credits
- Learning Outcomes
- Assessment Criteria
- Assessment Guidance

Core Units of each qualifications are identified, followed by the optional Units.

For instance, the QCF qualification: Level 2 Business and Administration includes the following Core Units:

- Manage own performance in a business environment
- Improve own performance in a business environment
- Work in a business environment
- Solve business problems
- Work with other people in a business environment
- Evaluate and improve own performance in a business environment
- Contribute to decision-making in a business environment
- Negotiate a business environment
- Supervise a team in a business environment
- Manage and be accountable for own performance in a business environment
- Support the purpose and value of an organisation
- Support sustainability in a business environment
- Assess, manage and monitor risk in a business environment
- Evaluate and solve business problems
- Make decisions in a business environment

2.4 Cooperation among learning venues

Cooperation between the employer and Apprenticeship provider really depends on how the relationship is managed. Over 80% of apprenticeship places, come about due to the decision by the employer to recruit an apprentice.

In these cases, employers are made aware of their responsibilities as an employer and the apprentice's responsibility as a learner and what to expect by way of support by their Apprenticeship provider. In these cases, cooperation is successful and will often result in benefits to all parties.

However, where an individual has made the decision to complete an apprenticeship, without discussing their decision in advanced with their employer, cooperation may be more difficult and could result in problems later down the line, when the Apprenticeship provider wishes to visit and assess the apprentice in their work place.

Cooperation between learning bodies is present in certain areas. Such as Schools and colleges will work with Training Providers, where a Learner wishes to complete a Learning programme that is not available by the body. Training Providers will work with other organisations, where a learner may need extra support to complete their qualification. Sign-posting is a major way different learning bodies work together, however, due to the competiveness of the industry, only certain organisations with a strong partnership ethos, will work with potential rivals. Partnerships may come about due to a Prime-Subcontractor relationship for example.

2.5 Participation of and support to companies

Over 250,000 companies offer Apprentices in the UK (Employer Guide to Apprenticeships and Traineeships, NAS, 2016)

The UK's National Apprenticeship Service has led on the promotional campaigns and in engaging employers and young people. The campaigns have included television adverts, a bespoke matching website for employers and apprentices, including guidance on how to apply for an apprenticeship and for an employer how to recruit apprentices.

To view an example of the National Apprenticeship Service's marketing, see the Employer Guide here:

[Employer Guide 2016](#)

On top of the marketing campaigns, the UK government continues to offer an Apprenticeship Grant for Employers (AGE) who appoint an apprentice aged 16 to 24 years of age. The eligibility criteria includes:

- Employers have fewer than 50 employees
- The apprentice is aged 16 to 24 years
- The business has not employed an Apprentice in the last 12 months
- You take on a trainee, who progresses onto an apprenticeship

Although the grant aims to act as an incentive, it is targeted at businesses who would not normally be able to recruit an apprentice aged 16 to 24. An employer can claim up to 5 AGE grants in total.

As well as supporting learners to achieve their qualifications and become occupationally competent, Apprenticeship Providers also support employers, when it is applicable.

For an Apprenticeship provider, a learner disengaging due to the Apprentice-Employer relationship ultimately results in the provider making a loss. So it is in the Apprenticeship Providers best interest to support employers when an issue arises in connection to their apprentice.

This support may involve simple mediation between the two parties, providing bespoke training, if the employer needs to ensure the apprentice achieves a particular unit in their qualification or more often than not, resolving learning issues such as supporting the apprentice to improve their communication skills, Maths and English.

2.6 Requirements and support to teachers and in-company trainers

As reviewed in section 2.1 all Apprenticeship assessors must hold assessor qualifications, such as the A1 qualification and also be experienced in the field they are assessing on. For example, an assessor supporting Apprentices working towards an apprenticeship qualification in Fundraising, must be experienced in the Fundraising sector. An assessor supporting Apprentices working towards an apprenticeship qualification in Engineering, must be experienced in the Engineering sector. There level of experience should also be in a job role equal to the level of qualification they are assessing.

IQAs must hold an internal quality assessors qualification, such as an IAQ/V1 to do their role of an IQA. They must also be an experienced and qualified Assessor, experienced in the sector they are working in (see the above guidance on the Assessor's sector experience).

Alongside these qualifications, all staff working in the delivery of apprenticeship qualifications should be regularly developing themselves through Continuing Professional Development activities. Whether it be through completing training programmes in their fields, participate in courses on apprenticeship delivery or another form of learning, Assessors and IQAs be constantly developing themselves to ensure they have the skill-set to support new learners. In particular, Apprenticeship delivery staff must ensure they are continuing to develop their sector skills, if not, their experience may become no longer relevant. This is akin to other professions such as Legal; Medical; etc.

2.7 Financing and cost sharing mechanisms

There exists 4 key funding routes for Apprenticeships in the UK, these are:

- Statutory funding
- Self-funding
- Employers
- Government Loan schemes

Statutory funding: The UK statutory funder in the Skills Funding Agency. Apprenticeship schemes funding in the UK, is based very much on eligibility criteria. A learners' eligibility influences whether they can participate in a funded or non-funded Apprenticeship scheme. Eligibility criteria includes:

- Age
- Citizenship
- Location
- Qualification levels

A young person aged 16 to 24, is eligible for an free Apprenticeship programme. 24+ are not eligible. A young person holding UK/EU citizenship and if the right to remain/work in the UK, is also eligible for a free Apprenticeship scheme. Location can also influence if a Learner receives subsidized Apprenticeship or help with extra costs. Often a key barrier to an eligible learner participating is personal issues, such as disabilities, so many Apprenticeship Providers working in high deprivation areas receive extra funding to support young people this barriers. Another eligibility criteria is if a learner has the correct levels of qualifications i.e. most learners entering Apprenticeship need a minimum Level 1 qualification in Maths and English. And if a learner has completed a Level 3 qualification, then it is unlikely they will be able to enrol onto a free Apprenticeship, unless there is evidence that the qualifications a significantly different and that the Learner would not be able to do their job without the Apprenticeship. It is up to the Apprenticeship Provider to make the cases with the Statutory funder.

Self-funding: if a learner is not eligible, then self-funding options are available, in which many Apprenticeship providers will offer a payment plan, in where the learner can pay over a 12 to 18 month period.

Employers: an alternative to self-funding and statutory funding is employers supporting learners to complete an Apprenticeship. This is particularly popular for older learners, where certain qualifications and experiences is essential for their job roles. In certain cases, the employer may be supported by a statutory development grant, however, this has become available since 2010.

Government Loan Schemes: are popular options for learners who cannot access Apprenticeship funding. On the Apprenticeship and Work-based Learning front, 24+ Loans were launched in 2014/2015 to support older learners to complete work-based learning programmes. The funding is managed by Apprenticeship providers and the Student Loans Company, but has not been as popular as expected.

AGE grant for employers who employ 16-24 year olds

School incentives? Not so far. In fact the UK school system is traditionally quite elitist about Further Education. A school only monitors pupils who move into further and higher education and not apprenticeships. Schools have a reputation for promoting University above Apprenticeships, as it improves their reputation for pupils to enter University.

2.8 Quality assurance

The UK has a robust Quality Assurance system throughout the Vocational, Education and Training sector. This section was reviewed in great detail in section 2.1 under Quality Assurance system.

See below for some key points on the UK's Quality Assurance system:

- Internal Quality Assurance systems and procedures
- External Quality Assurance
- Funder Quality Assurance

Internal Quality Assurance systems and procedures: A training provider has internal quality assurance systems and procedures

External Quality Assurance: involves the accreditation body sending an External Quality Assurance professional to check the overall quality of the organisation's work, and the assessment of individual learners' portfolios.

Funder Quality Assurance: occasionally , as part of the funders' quality checks and/or audits of an organisation, the Funder will request to check learners' portfolios; providers' Quality processes and procedures;; and the funding distribution.

Quality, is a element of QCF. A unit and qualification is designed by an Accrediting body, and includes several layers of quality assurance through assessments.

In order for an Apprenticeship provider to deliver a qualification, they must be accredited by an Accrediting body. The Apprenticeship provider, must have staff qualified to deliver the programme. Qualified staff include: Assessors, who are responsible for the delivery and assessment of learners work; the IQA (an Internal Verifier, who holds an Internal Quality Assurance qualification or its equivalent) checks the learners work, ensuring that the Assessor is correct in both their assessments and support of a learner; this is followed by a EQA (External Verifier) visit from the Accrediting body checking both Apprenticeship provider's overall quality, again through assessing the IQA and Assessors assessment of learners' work.

2.9 Apprentice's working and learning conditions

There exist official Employment laws in relation to an Apprentices' wage, as well educational standards which all Apprenticeship Providers and Employers must agree to through the creation of an Apprenticeship Agreement. These rights and obligations of the Employer to the Apprentice, are held in this agreement, while the Apprentices responsibilities are included in their Learning Agreement which they sign when they enrol onto the programme. The Apprenticeship Provider is responsible for this area, as well as providing Information, Advice and Guidance. Furthermore, an Apprentice and an Employer can contact the National Apprenticeship Service for further information.

Furthermore, a part of the Apprentice's learning involve the completion of the Employment Rights and Responsibilities workbook.

Wage: there exist a legal wage level for an Apprentice, which each employer is responsible for paying. This is called the National Apprentice Wage.

Age	Rate per hour
21 and over	£6.95
18 to 20	£5.55
Under 18	£4.00
Apprentice (under age 19 or in first year of apprenticeship)	£3.40

The current National Apprentice Wage is: **£3.40** per hour for an apprentice under 19 years of age or in their first year of an apprenticeship.

Hours: Each employer who agrees to appoint an Apprentice, also agree to employ them for a minimum of 30 hours per week for 12 months. If an employer cannot offer this, then they cannot employ an apprentice.

Learning: Employers have a responsibility to give an Apprentice flexibility in order to complete their learning. For instance, some Apprenticeship providers will request employers to allow a learner to attend their training centre once or week or once a month, based on their current skills levels and progress.

Employment Rights and Responsibilities: Apprentices learn both about Employment law and how it affects them and also their Employer's internal policies through the completion of Employment Rights and Responsibilities (ERR) handbook. This is generally, completed within the first 6 weeks of an Apprentice starting employment. The EER includes:

- **Statutory rights and responsibilities**
- **Procedures and documents within the employers' organisation**
- **Sources of information and advice about employment rights and responsibilities**
- **About an Apprentices' occupation and careers pathways**
- **Representative bodies relevant to you and your organisation**

2.10 Responsiveness to labour market conditions

There is no official strategy to align the apprenticeship programmes with labour market needs. However, the UK government has identified a number of targets such as to increase the number of Public sector (jobs in Goverment departments, Local Authorities and other institutions funded by the tax payer). The Goverment aims to increase Public sector Apprenticeships to 2.3% per annum.

Employers will 1,000 employees will need 23 new apprentices each year (employees with over 250 employees)

2015/2016, majority of apprenticeships in the service sector:

- Business, Administration & Law
- Health, Public Services & Care
- Retail & Commercial Enterprise

Apprenticeship Levels	Number of starts 2015/2016 (509,400 starts)
Level 2 (Intermediate)	291,330
Level 3 (Advanced)	190,870
Level 4 and above	27,160

See the below table which confirms the increase in Apprenticeships in different sectors from 2009 to 2016.

Apprenticeship starts in England by sector subject area since 2009/10, thousands

	09/10	10/11	11/12	12/13	13/14	14/15	15/16
Business, Administration and Law	77	134	165	160	126	143	142
Health, Public Services and Care	44	90	109	123	109	130	131
Retail and Commercial Enterprise	62	103	108	101	87	90	84
Engineering & Manufacturing Tech.	43	55	70	66	65	74	77
Construction, Planning & Built Environ.	21	22	14	14	16	18	21
Leisure, Travel and Tourism	15	22	20	14	11	13	15
Information & Communication Tech.	13	20	19	14	13	16	16
Education and Training	1	4	8	8	5	7	8
Agriculture, Horticulture & Animal Care	6	7	8	7	7	7	8
Arts, Media and Publishing	0	1	1	1	1	1	1
Science and Mathematics	-	0	0	0	0	0	0

SN06113 – House of Commons, Apprenticeships Statistics: England, briefing paper, 21 November 2016

2015/2016 has witnessed the biggest rise to date in Apprenticeship enrolment by learners, with Business, Administration and Law; Health, Public Services and Care; Retail and Commercial Enterprise; and Engineering & Manufacturing Technology being themost popular.

Apprenticeship starts in England by sector subject in 2015/16, thousands
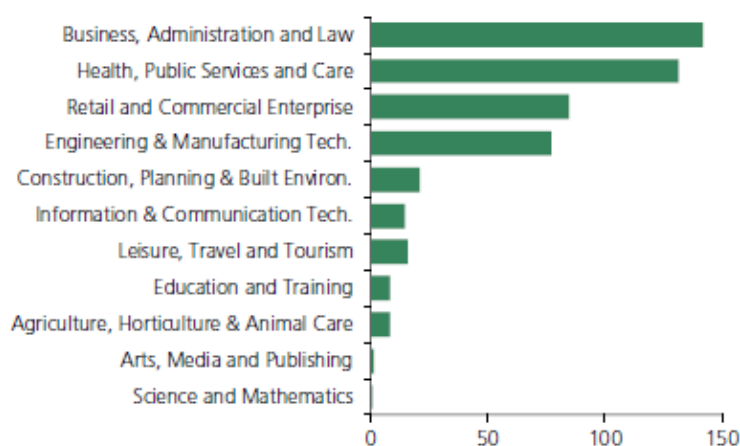
Source: BISFE data library: apprenticeships

SN06113 – House of Commons, Apprenticeships Statistics: England, briefing paper, 21 November 2016

See the below chart, which confirmed the number of Apprenticeship starts in England by framework since 2009/2010.

Apprenticeship starts in England by framework since 2009/10, thousands
10 most popular frameworks in 2015/16

	09/10	10/11	11/12	12/13	13/14	14/15	15/16
Health and Social Care	18	54	71	81	70	85	85
Business Administration	27	39	45	49	44	49	50
Management	10	30	45	48	33	43	46
Hospitality and Catering	21	30	36	36	32	32	32
Customer Service	29	54	59	45	31	31	26
Children's Care Learning & Develop.	20	27	26	26	24	22	24
Construction Skills	14	16	14	14	16	18	20
Industrial Applications	1	4	19	15	15	17	18
Engineering	15	18	13	14	16	18	16
Hairdressing	16	16	17	16	15	14	13

Source: FE data Library

SN06113 – House of Commons, Apprenticeships Statistics: England, briefing paper, 21 November 2016

The below chart identifies the number of Apprenticeship starts in England by job role (standards).

Apprenticeship starts in England by standards in 2015/16
10 most popular standards

	15/16
Property Maintenance Operative	720
Dual Fuel Smart Meter Installer	440
Power Network Craftsperson	410
Digital and Technology Solutions Professional	350
Installation Electrician/Maintenance Electrician	300
Network Engineer	200
Mechatronics Maintenance Technician	150
Software Developer	140
Infrastructure Technician	120
Manufacturing Engineer	110

Source: FE data Library

SN06113 – House of Commons, Apprenticeships Statistics: England, briefing paper, 21 November 2016

3. Conclusions and recommendations

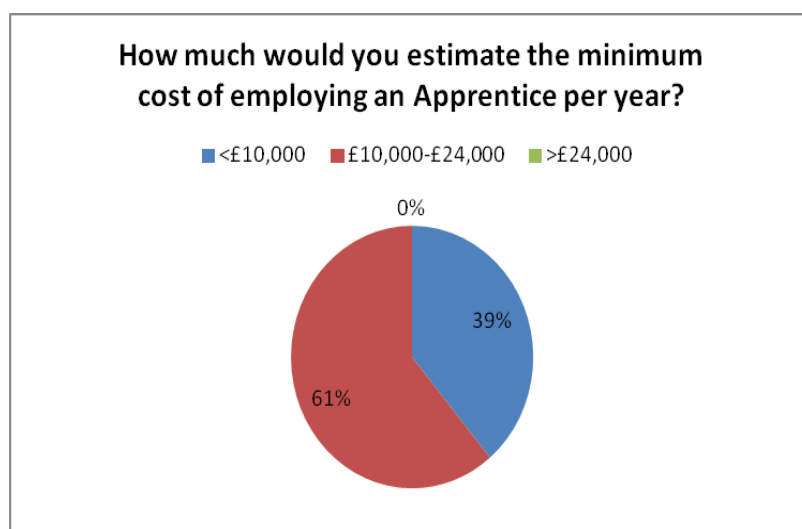**3.1 Main bottlenecks and challenges**

In the United Kingdom, the barriers to SME organisations recruiting an apprentice include:

- Experience in how the apprenticeship sector works and how to recruit a job-ready apprentice;
- Awareness of the costs & support available;
- Time availability.

Experience in how the apprenticeship sector works and how to recruit a job-ready apprentice: Many of the SMEs engaged in this research, especially those that do not work in the educational sectors, are not aware of how the apprenticeship sector works or even how to recruit a job-ready apprentice. It is this lack of information that prevents many SMEs investing in apprentices. Most SMEs who appoint apprentices are engaged by an Employer Engagement professional or Job Broker whose specific role is to identify suitable employers for apprentices and young people/unemployed. Unfortunately, occasionally Employer Engagement Officer will place an apprentice into a job role, even though they may not be job ready. This is a weak element of the sector, where professionals put outcomes above quality relationships and sustainability.

Awareness of the costs & support available: Many SMEs are not aware of the associated costs and support connected to employing, training and developing an apprentice. Many SMEs do not take into account the National Minimum Wage for Apprentices being only £3.40 per hour and minimum contract length being only 30 hours per week. Annually an Apprentice could cost as low as £5,304, £442 per week. However, most employers believe that an Apprentice costs on average between £10,000 and £24,000 per annum. Furthermore, SMEs are not aware of the Apprenticeship grant for employers for 16 to 24 year olds. This grant is available to SMEs that meet the criteria, however, a lot of employers are still not aware of this. The cost involved in the internal training of an Apprentice is also viewed as a barrier and many SMEs do not realise how much support is available from Training Providers.

How much would you estimate the minimum cost of employing an Apprentice per year?

■ <£10,000　■ £10,000-£24,000　■ >£24,000

0%

39%

61%

SMEs believe employing an Apprentice is much higher than it actually is.

Time availability: as well as costs, many SMEs are concerned about the time commitment in training an apprentice. There are further barriers to SMEs appointing an apprentice instead of a normal employee.

Lack of awareness of Apprenticeship grants: Most SMEs are unaware of the Apprenticeship grants available to employers. This lack of awareness, prevents employers to make key decisions when considering whether to employ an Apprentice or not.
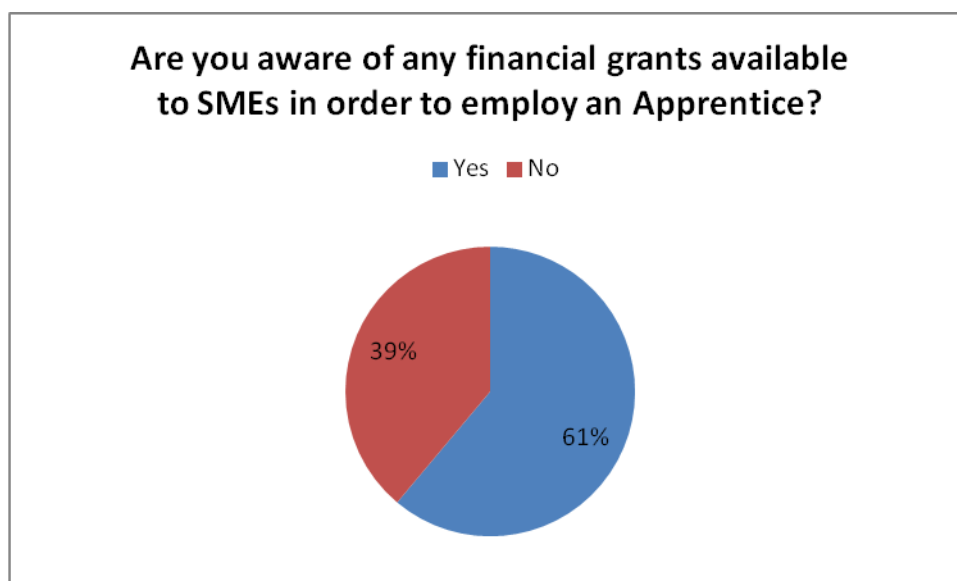
Lack of awareness amongst SMEs about the financial grants available

3.2 Main strengths and points with potential

The main reasons for encouraging SMEs to participate in the apprenticeship scheme and recruit an apprentice to join their organisation would include:

- An employee that can be trained to an SME's individual needs, without too many previous influences;
- An employee which is willing to learn and develop;
- An employee which is approximately only 25% the costs of other employees;
- By taking on an apprentice, SMEs can gain a free government grant; and
- Staff can complete a free qualification, including current staff under the age 24(depending on individual qualifications).

See below some reasons from peer SMEs on why they would participate on an apprenticeship scheme:

SME peers reasons for employing an Apprentice
I would employ an Apprentice, because it is one of the methods of how you can get qualified

employee in the future
Apprenticeship system and having Apprentice helps company develop skills and working principles of the team according to its standards. That benefit companies by having the skilled candidates to employ
Yes only for office-based roles as it would be cheaper for the Company and involve very few safety concerns. No for warehouse-based roles as there would be too many safety aspects to take into account, hence briefings, safe operating methods, training and other material to go through and sign off, plus if the apprentice is under the age of 18 he/she won't be allowed to do a number of things - therefore, minus will be more than plus
Would to provide fresh ideas and give a chance to a young person. would not because of extra work involved with
Mainly, to provide opportunities for young people to develop a career in the not-for-profit sector.
If the individual has gained the knowledge and experience for a role available in the organisation we would be happy
I would consider it as I imagine they would be keen to learn, and it would be cheaper than someone with more experience
Very specialised area of work which requires most staff to have been a successful teacher for at least five years. If we grow, we might consider for back office.
Money and time. We do not have the available resources to pay an apprentice. Equally, we do not have time to train
Don't have the resources to train them properly. Would need someone that already has a level of experience.

3.3 Recommendations

See below some recommendations and methods currently utilised in the UK, which are both highly valid and could add value to other EP4As' partners in the development of their Apprenticeship sectors and relationships with SMEs.

Recommendation	Method
Gain and train a staff with the skills that SME's need	Appointment of an Employer Engagement Officer to account manage SMEs
Promote any grant schemes available to SMEs who take on Apprentices	Strategic: marketing of the opportunity Employer Engagement Officer: promote to SMEs
Engage with SMEs	Through the Employer Engagement roles and also through local Employer events. As well as running events for SMEs, attend events and talk to employers directly about the Apprenticeship opportunities
Account Management	An SME should be assigned to an Employer Engagement Officer – account management. Employer Engagement Officers provide support to SMEs and identify any issues between the Apprentice and the SME and act as the mediator.

4. **Description of your research experience**

This section serves for internal purposes. After approval of the author of the country report, some parts may become part of the public materials.

4.1 Could you please provide your opinion on the research guidelines?

The information was clear and relevant. Perhaps the guidelines could be reduced in size next step. Often I would read an guidance point and it would difficult to re-locate the guidance.

So a shorter more accessible format would make a real difference to the overall experience.

4.2 Could you please describe your experience with the desk research?

There was a great deal of secondary research available to produce the research report. The most useful data, included statutory data for example from the National Office for Statistics; House of Commons' Library; Government departments etc.

For general information, I would recommend the NOMIS website which can breakdown statistics on Businesses; Employment; Unemployment; Population; Qualification data etc. It provides a useful snapshot per Ward; Local Authority; City; Region etc.

4.3 Could you please describe your experience with the research based on questionnaire?

The questionnaire (we mobilised an s-survey based on the questionnaire) was very accessible, which resulted in SMEs more likely to complete. However, it was a struggle to encourage 50 SMEs to participate, especially as it clashed with several SME-Apprenticeship studies which the government is promoting through the Enterprise bodies.

4.4 Could you please describe your experience with the research based on interview?

The interviews were useful activities and further built upon the information received through the questionnaire. However, many SMEs did not wish to take part when asked if they would consider to participate in an interview. This was a great shame, however, we managed to to achieve enough interviews to make it still a viable activity.

4.5 Could you please describe your experience with the research based on focus groups? *What was the responsiveness of the approached SMEs and experts? Did you find this method useful?*

I think if we did focus groups and the questionnaire or interviews and the questioonaire, then it would have been a better scenario. Completing focus groups, interviews and questionnaires meant

that a number of our key SME contacts were approached and this meant often we were engaging with similar organisations.

What may have been better is to identify different types of SMEs for each type of primary research, for example, inviting Micro Enterprises to complete interviews; inviting Medium organisations to complete the Questionnaire; and inviting Small organisations to participate in Focus Groups.

4.6 What would you state as the most valuable you have learned from this research in terms of methodology?

On a personal level, this methodology has offered me an alternative method of managing transnational research. This could add value to our future approaches to Transnational Research reports.

4.7 What would you state as the most valuable you have learned from this research in terms of information acquired?

Further information on the Apprenticeship sector, specifically in relation to different business sectors.

4.8 What would be your recommendations for future research on this topic?

Include a section on Apprenticeship providers & Apprentices.

Apprenticeship and Training providers play a major influence on how an SME works with their apprentices and ultimately if they offer Apprenticeship placements in the future.

List of resources used in desk research/Bibliography

Please list here the resources you have used.

1. NOMIS website, National Office of Statistics, www.nomisweb.co.uk 28th February 2017
2. House of Commons Library Briefing Paper (Number 06152) 23 November 2016
3. A short history of apprenticeships in England, Second Reading, the House of Commons Library blog, link, 9th March 2015.
4. Accredited Qualifications, link, 28th February 2017
5. Employer Guide to Apprenticeships and Traineeships - Employer Guide 2016 – 1st March 2017