

## Economy and Infrastructure and Skills Committee Inquiry into Apprenticeships

### Apprenticeships Skills Policy

Our Apprenticeship Skills Policy and its five year Action Plan, published in February 2017<sup>1</sup>, sets out our strategy for better alignment of apprenticeships to the needs of the Welsh economy. The content of the Action Plan takes forward improvements in the areas being explored by the Inquiry. We have committed to delivering 100,000 quality apprenticeship places over the next five years, underpinning our ambition to build a more prosperous, ambitious, fairer and resilient country. Skills are a key driver of productivity and apprenticeships play an important role in unlocking our Gross Value Added growth potential<sup>2</sup>. Our approach is to expand and strengthen apprenticeship routes in STEM, and to address skills shortages by developing apprenticeships in growth and emerging sectors.

### Background

The apprenticeship landscape has changed considerably since the Enterprise and Business Committee made its recommendations in 2012. Regional Skills Partnerships have been established to help anchor our system to the needs and priorities of our local economy; the UK-wide model for apprenticeships has ended as a result of reforms in England; new arrangements between devolved administrations have been established.

Recruitment points onto the programme continue to vary depending on a range of different factors - for instance if you are a school leaver, if you are leaving college, an adult that is registered with job centre plus, or if you are employed and your employer is looking for support from the apprenticeship programme. The system has multiple entry approaches to accommodate all recruitment points. This continues to cause confusion for those looking for an apprenticeship. We are improving connections between qualifications and the labour market, strengthening vocational and career pathways within and across education providers and different parts of the labour market. Recognising changing sector needs, we have revised our *Specification for Apprenticeship Standards for Wales (SASW)*<sup>3</sup> to allow more flexibility in terms of what apprenticeships can provide and the tailoring of training to new skill requirements.

We have taken large strides in terms of employer engagement. Our approved apprenticeship provider network has developed links with over 35,000 employers, reflecting the diverse nature of employers operating in Wales. We have introduced an all-age approach that is flexible enough to support both new job apprentices and up-skill existing employees. At the same time, Regional Skills Partnerships are providing a clear indication of demand,

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<sup>1</sup> Aligning the apprenticeship model with the needs of the Welsh economy (February 2017): <http://gov.wales/topics/educationandskills/skillsandtraining/apprenticeships/apprenticeships-skills-policy-plan/?lang=en>

<sup>2</sup> UKCES Employer Skills Survey (2015)

<sup>3</sup> SASW specifies statutory requirements to be met by apprenticeship frameworks: <https://acwcerts.co.uk/web/wp-content/uploads/2013/06/SASW-16th-Oct-2016.pdf>

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supply and utilisation of sector skills within their respective regions, backed by employers in each the regions.

Against this backdrop of change, **Annex A** provides a summary of progress against the recommendation in the 2012 Enterprise and Business Committee Report and **Annex B** provides additional information on roles of Regional Skills Partnerships, Sectors Skills Councils and the Wales Employment and Skills Board.

### Improving the accessibility of apprenticeships

Our Action Plan recognises the need for development in this area. We are:

**Cyclically advertising vacancies:** We are moving to a more defined and cyclical process for advertising apprenticeship vacancies for 16-19 year olds, which will be maximised during the period when student leave school/college. Providers working with the National Training Federation for Wales (NTFW) have committed to advertising at least 1,000 high quality vacancies on the Apprenticeship Matching Service during the June – September period to encourage applications. The Apprenticeship Matching System was evaluated as part of the external apprenticeship evaluation; we recognise that it is no longer fit for purpose and will start to decommission it during 2018.

**One Stop Shop for apprenticeships:** In the meantime we are working on an overarching One Stop Shop for apprenticeship recruitment. The plan is to establish a ‘clearing house’ where enquiries are referred to the provider network. This approach will involve tracking enquires/applications and reporting on the service received. This system will be linked to Summer Clearing (July - September) and Winter Clearing (January - March). This will be aligned to large scale marketing campaigns.

**Annual campaigns** are operating to raise the profile of the apprenticeships to young people. The first campaign is run in conjunction with GCSE and A Level exam results – this includes targeted radio and digital advertising, supported by social media and PR. The second campaign during August is co-ordinated in conjunction with Careers Wales and called ‘Where Now’.

**Raising the Profile:** Our biggest development to raise the profile of vocational education has been Have a Go<sup>4</sup>. We have successfully engaged with 79 schools and 21 local authorities; 20,000 young people have taken part over the first six month pilot phase. It has now been rolled out across Wales.

**Skills Competitions** allow vocational learners to develop and show cases their skills at a UK and world level. Team Wales won forty-five medals in the 2016 Skills Show and four out of the top ten performing organisations were

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<sup>4</sup> The Have a Go equipment raises the learner awareness in the following sectors: Manufacturing and Engineering; Construction and Building Technology; Transportation and Logistics; Creative Industries; Social and Professional Services and ICT.

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colleges and employers in Wales. Wales has secured nine competitors in the UK squad for WorldSkills in Russia in 2019.

***Apprenticeship Engagement Network project:*** this project will facilitate the recruitment of a range of employer representative bodies, employers, and former apprentices with the common aim of promoting apprenticeships. As well as former apprentices acting as Apprenticeship Ambassadors engaging young people in schools, employers with proven track records of successful apprenticeship schemes will be tasked with mentoring and linking up with small and medium-sized employers and attending employer events to advise them on the benefits of apprenticeships.

### **Better parity of esteem between vocational and academic routes**

Through improving apprenticeships (their relevance, level and progression) we are positioning apprenticeships alongside A Levels and higher education provision as a route into high value jobs and professions. Degree Apprenticeships will help bridge the divide between vocational and academic pathways, with younger learners and their parents in particular being made aware that the qualifications are of high standing as they are underpinned by universities.

On a broader issue we are working with UCAS to apply points to apprenticeships which will also support progress to Higher Education and parity between the sectors. Longer term the establishment of a new single strategic authority for post-compulsory education and training recommended by Hazelkorn to oversee the planning, funding and regulation of both vocational and academic routes is expected to help address parity issues.

### **Providing independent careers advice**

Independent and impartial careers information advice and guidance has a key role to play in raising awareness of apprenticeships and helping young people and their parents explore the opportunities an apprenticeship can bring to their career aspirations.

Last year Careers Wales engaged with clients and stakeholders to establish a forward vision for service reforms and digital transformation. The remit letter issued by Welsh Government to the company for 2017-18 supports delivery of these ambitions. As a result we expect to see significant increases in the number of advisers working in schools and with young people at key transition points. We expect the lessons and effective practice emerging from the 'Opportunity Awareness' pilot to be integrated into the Careers Wales offer in the year ahead.

Through the 'Opportunity Awareness' pilot Careers Wales have worked with schools and other partners to actively engage thousands of young people and hundreds of teachers in events and activities designed to raise the profile and understanding of vocational pathways including apprenticeships. A total of 37,103 pupils across 235 schools in Wales have participated in 'Opportunity

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Awareness' group activities this year. The majority of these schools are mainstream secondary schools but Careers Wales have also undertaken sessions with Pupil Referral Units (PRUs) and with selected pupils in some ALN specialist schools. Careers Wales have also delivered 51 teacher training sessions with 508 participants.

The careers service in Wales, delivered by Careers Wales, has changed considerably in recent years, with many innovations responding to client needs and preferences. While independent evaluations show high levels of customer and stakeholder satisfaction with the services that Careers Wales offer, we are supporting Careers Wales to drive forward their vision to create services which make better use of digital technologies and delivery channels. In our remit letter to the organisation for 2017-18 we have directed the company to drive forward reforms in line with their overall vision, and we expect to see increases in the levels of engagement and interaction with young people in education increasing as a result.

Delivery of services over the last 2 years to clients in education – averaged out annually:

- 48,659 young people benefitted from 1:1 support;
- 90,900 interactions delivered; and
- 64,279 young people in education attended group sessions.

### **Improving equality and equity of opportunity**

Apprenticeships offer vital opportunities for people of all backgrounds and levels of ability to participate and succeed in learning. It offers a 'second chance' to young people and adults who may not have done well at school, or who need to develop new skills in order to enter and maintain employment.

We are supporting people into employment who are new to the workplace as well as placing a renewed focus on progression in the workplace through access to higher quality training opportunities.

Our drive for equality of opportunity is focused on removing potential barriers to apprenticeships experienced by under-represented groups, recognising that some apprentices may also need additional support to remain and succeed. All providers are required to have a formal equal opportunities strategy in place and undertake a formal review annually. The Welsh Government use apprentice data and other evidence, including self-assessment reports, to monitor participation rates and to evaluate action taken by providers to ensure that learners with protected characteristics are not disadvantaged in any way.

The Welsh Government has appointed an Equality and Diversity Champion to improve the engagement of protected groups onto apprenticeship programmes. The aim is to increase participation of protected groups on apprenticeships and to instigate a culture change on the programme that embraces diversity. Targeted action in conjunction with wider specialist

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organisations such as Remploy is also taking place to reduce barriers faced by those with protected characteristics when accessing the Apprenticeship programme. Welsh Pilot work has commenced with Remploy to match clients on the Work Choice programme to Apprenticeship opportunities in their area.

As Welsh Government we are committed to using the data which is available to help delivery partners understand and tackle inequalities. For example, we have are introducing an annual statistical data matching process, which will allow us to link data on school pupils, further education, work based learning and higher education and examinations to allow us to produce analysis around learners' characteristics, programmes and outcomes.

Tackling gender bias has been at the forefront of our equity strategy. In 2015/16, 57.5 per cent of learners pursuing an apprenticeship were female and 42.5 per cent were male<sup>5</sup>. However, this statistic masks gender bias in some sectors. The reasons are complex and can be rooted back to decisions made in school, for example, the problem with attracting more women into engineering lies with relatively females taking A Level science and maths subjects.

Providers tackle gender bias in certain sectors, for example females in engineering and construction. Individuals are used as positive role models and ambassadors to promote gender balance in all sectors, for example, through visiting schools to share their experiences. Our National Apprentice of the Year is a female engineer who is a natural role model for women considering a technical career.

### **Higher and Degree Apprenticeships**

Over the last 3 years there has been as significant growth in Higher Apprenticeships. There are currently 59 Higher Apprenticeship frameworks available spanning levels 4-7. Several Higher Apprenticeship frameworks include qualifications delivered by universities. Higher Apprenticeships represented 25 per cent of starts in 2015/16, 4 percentage points higher than the 2014/15 figure<sup>6</sup>.

In 2016/17 we developed seven new apprenticeships frameworks, six of these were Higher Apprenticeships (85% of all new frameworks). We have also commissioned the development of ten new apprenticeship frameworks for 2017/18, nine of these are Higher Apprenticeship frameworks (90% of all new frameworks) to meet Welsh employer needs.

Degree Apprenticeships are currently under development in Wales. In December 2016, the Higher Education Funding Council for Wales (HEFCW)

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<sup>5</sup> Welsh Government, Further education, work-based learning and community learning: <http://gov.wales/statistics-and-research/further-education-work-based-learning-community-learning/?lang=en>

<sup>6</sup> Welsh Government, Further education, work-based learning and community learning: <http://gov.wales/statistics-and-research/further-education-work-based-learning-community-learning/?lang=en>

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invited plans from institutions to develop and combine vocational and academic degree level qualifications which could form part of an apprenticeship. HEFCW identified engineering, advanced manufacturing and IT/computing as particular areas of interest.

We are undertaking a co-development approach working with HEFCW and Higher Education Providers to develop Degree Apprenticeships and delivery options. New policy is being developed that brings together apprenticeships and higher education – sectors with different processes and cultures - therefore requiring the widest possible input and perspectives from stakeholders. The new strategic body for all post-16 education in Wales is expected to have a role in strengthening cohesion between the post-16 education sectors through providing routes to higher level education and training, where people can move between academic and vocational pathways.

### **Aligning apprenticeships to employer needs**

We are also taking a more strategic approach to workforce planning to address the issues facing businesses around the need to increased levels of skills among their employees – and plan in a holistic way for the skill-sets in demand for tomorrow. This approach will involve both the all-age - apprenticeship programme and all-age employability programme.

We are actively reviewing and developing apprenticeships to address identified skill shortages, particularly in growth sectors and emerging job categories, in line with priorities determined by Regional Skills Partnerships. The content of the qualifications within our apprenticeship frameworks are being improved through Sector Qualifications Reviews being conducted by Qualifications Wales. We have established a new commissioning process for our apprenticeships working with Sector Skills Council and alongside the devolved administrations. Where national employers want us to adopting elements of English apprenticeships, we are considering how they align with Welsh frameworks and the components we can incorporate. Our quality standards determine we will only do this where recognised portable qualifications underpin the apprenticeship. The Wales Employment and Skills Board will have an overview of apprenticeships developments and their proposed Apprenticeship Advisory Group will be instrumental on our objective to deliver 30 high performing apprenticeship frameworks to drive forward the Welsh economy.

Our approach will open up new opportunities for people to progress at work. It is becoming increasingly difficult for business to secure people with the right levels and mix of skills to fill their growing number of skilled jobs in the future. The priority for business is to tackle these issues and mismatches fully, so that Wales can push on to have a more productive, high-value economy enabling people can move up in their careers. That is why access to the apprenticeship programme will now come with advice to aid workforce planning arrangements. In order to drive this process we have put in place Apprenticeship Levy Employer Engagement officials.

## **Annex A**

### **An update on the Welsh Government's response to and the progress made on the recommendations to the 2012 Committee report.**

#### **Recommendation 1 - Accepted in 2012**

**Do more to convince employers, particularly small and medium-sized enterprises, of the importance and cost effectiveness of apprenticeships as part of a more strategic approach to planning their medium and long-term skills needs.**

We are taking a more strategic approach to workforce planning to address the issues facing businesses around the need to increase levels of skills among their employees – and plan in a holistic way for the skill-sets in demand for tomorrow.

We are actively reviewing and developing apprenticeships to address identified skill shortages, particularly in growth sectors and emerging job categories, in line with priorities determined by Regional Skills Partnerships. The content of the qualifications within our apprenticeship frameworks are being improved through Sector Qualifications Reviews being conducted by Qualifications Wales. We have established a new commissioning process for our apprenticeships working with Sector Skills Councils and alongside the other devolved administrations. Where national employers want us to adopt elements of English apprenticeships, we are considering how they align with Welsh frameworks and the components we can incorporate. Our quality standards determine we will only do this where recognised portable qualifications underpin the apprenticeship. The Wales Employment and Skills Board will have an overview of apprenticeships developments and their proposed Apprenticeship Advisory Group will be instrumental on our objective to deliver 30 high performing apprenticeship frameworks to drive forward the Welsh economy.

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#### **Recommendation 2 - Accepted in principle in 2012**

**Publish the number of apprentices that progress into employment at the end of their apprenticeship, according to destination sector.**

The Welsh Government is participating in the UK Government's Longitudinal Education Outcomes Study (LEOS), a large-scale data linking programme which involves matching educational data to information on employment, earnings and

benefits held by the Department for Work and Pensions (DWP) and Her Majesty's Revenue and Customs (HMRC).

This programme is already up and running in England and our participation will allow us to track and measure Welsh learners' destinations. As a pilot exercise we have securely transferred three academic years' worth of personal identifiers from the Lifelong Learning Wales Record (LLWR) to DfE for inclusion in the April 2017 round of data matching with DWP. DWP will use the personal identifiers to create a link with employment, earning and benefits data. The linked data is due to be returned May 2017.

It is difficult to give precise timescales around our own data processing and analysis. We know that the data is far from straightforward and will require significant further manipulation and data cleaning for us to be able to get into a format ready for use. At this stage we are not sure whether we will be able to complete this analysis at sector level. We'll have more clarity on this by the Autumn.

Dependent on the pilot, our intention is to continue to take part in the project with data matched on an annual basis, with scope to extend to schools (PLASC data) and HE (HESA data).

### **Recommendation 3 - Rejected in 2012**

### **Recommendation 4 - Accepted in 2012**

#### **Work with employers to ensure that a significant percentage of Jobs Growth Wales opportunities are converted into apprenticeships.)**

Conversion of a Jobs Growth Wales (JGW) job into an apprenticeship programme has ensured not only the continuation of the employment for the young person but also training to develop skills and enhance future employability.

Managing agents delivering JGW are tasked with promoting apprenticeships as a progression opportunity for young people. We have included information on progression opportunities in our guidance documentation for Jobs Growth Wales and have supplemented this with email reminders to managing agents Jobs Growth Wales be part of the All Age Employability Programme.

### **Recommendation 5 - Rejected in 2012**

### **Recommendation 6 - Accepted in 2012**

#### **Encourage employers with well-established apprenticeship programmes to mentor and link up with small and medium-sized employers to advise them on apprenticeship schemes and share training provision.**

We have been working with a range of key organisations on the development of supply chain apprenticeships and show casing apprenticeship employers via our marketing and promotional work.

## **Recommendation 7 - Accepted in 2012**

**Target funding at higher level apprenticeships in the most appropriate sectors to ensure that the right skills are being delivered to meet the needs of a vibrant, modern Welsh economy.**

Apprenticeships have supported individuals of all ages to get the skills they need to enter the labour market and, importantly, progress through it into higher skilled work. Our policy has been to expand delivery at higher levels to align better with the economy and achieve a higher return on our investments. We have done this through our funding, contracting and marketing activity.

We have also reviewed learning content to ensure our frameworks continue to meet emerging skill shortages in technical and highly skilled occupations that will drive productivity, such as engineering and IT.

Since Higher Apprenticeships were first introduced in 2011, enrolments have grown rapidly - Higher Apprenticeships represented 25 per cent of starts in 2015/16<sup>1</sup>.

Delivery is predominantly in the social care and management sectors, although there has been some growth in technical occupations which we would like to see expanded, for example, into the construction industry and the STEM sectors. This year we have prioritised the review of existing Higher Apprenticeship frameworks to ensure they are relevant and attractive to employers, for example, we have added Higher National qualifications to frameworks in the engineering sector.

We have increased involvement of professional bodies in the promotion of Higher Apprenticeships and how these complement the professional qualification routes available.

Some delivery is already taking place at degree level and work to define demand and build supply side capacity is underway. The Higher Education Funding Council for Wales is working with higher education providers to develop integrated degrees.

We continue to recognise the value of entry level skills as a useful platform to higher achievement and that they can be the appropriate level for some occupations, for example, those in social care and the certain sectors in the construction industry.

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<sup>1</sup> Welsh Government, Further education, work-based learning and community learning: <http://gov.wales/statistics-and-research/further-education-work-based-learning-community-learning/?lang=en>

## **Recommendation 8 - Accepted in 2012**

**Review the effectiveness of the Apprenticeship Matching Service in meeting the information needs of both employers and potential apprentices.**

The evaluation of Work-based Learning Apprenticeships 2011-2014 reviewed the Apprenticeship Matching Service. Since then we have been pursuing other forms of engagement with young people via Facebook, Social networking and Twitter.

We have worked with stakeholders on all forms of recruitment channels into apprenticeships:

- From the Apprenticeship Matching Service (AMS) website hosted by CareersWales.com.
- Through direct recruitment by employers/providers.
- Through conversion of existing staff to an apprenticeship.

AMS has been frequently updated since 2012, the latest update to AMS has given providers greater control and flexibility in relation to apprentice vacancies they post on AMS. Careers Wales have implemented a new functionality called 'Provider Self Service' which will enable Welsh Government contracted providers to have full administrative control on posting and managing apprentice vacancies on Careerswales.com.

## **Recommendation 9 - Accepted in 2012**

**Work at a UK level to ensure that sector skills councils have the capacity to tailor apprenticeship frameworks to meet changing employer demands and the demand for higher apprenticeship frameworks in Wales.**

We work closely with counterparts across the UK to ensure that the apprenticeship system continues to support employers. For example, officials have worked with the other devolved administrations to establish and maintain the capacity of Sector Skills Councils to develop apprenticeship frameworks to meet employer demand in Wales. Following the demise of UKCES, in November 2016 the devolved nations have collectively commissioned a network of delivery partners to act as custodians for the National Occupational Standards and Framework system across the devolved nations, under contract to Skills Development Scotland. Collective commissioning has meant we are able to agree a fixed commissioning price for each product which, whilst the same as last year, is a reduction on the previous years' commissioning prices. Added to this there is no duplication of tendering for activity and development requests from delivery partners. This arrangement helps ensure the viability of the delivery partners to complete products commissioned.

## **Recommendation 10 - Accepted in 2012**

**Publish the final version of the Specification of Apprenticeship Standards for Wales by the end of December 2012.**

The Specification of Apprenticeship Standards for Wales was published in May 2013. In October 2016 a revised version was published to address changes in the skills landscape and provide additional flexibility in framework content.

### **Recommendation 11 - Accepted in 2012**

**Encourage work-based and apprenticeship training providers to develop closer links with employers and schools to support the development of skills and aid progression into work-based training and/or employment.**

Close links between providers and schools have been supported by the “Have a Go” initiative which aims to encourage greater engagement from school children in vocational education including apprenticeships.

Delivery commenced in the summer of 2016 and has involved organising events in schools and careers events as well as in public settings encouraging vocational careers and apprenticeship choices.

Young people are able to try out new skills on a range of fun and interactive activities such as virtual welding, programming robots, using a simulated tractor.

The facilitation of the activities is by trained practitioners drawn from further education institutions, training provider, Careers Wales and Welsh Government officials.

The “Have a Go” equipment raises the learners’ awareness in the following sectors: Manufacturing and Engineering; Construction and Building Technology; Transportation and Logistics; Creative Industries; Social and Professional Services and ICT.

Officials are also working with colleagues in Marketing and Communications to scope options for an Apprenticeship Engagement Network project that will bring together a range of employer representative bodies and former apprentices to promote the programme through various initiatives.

### **Recommendation 12 - Accepted in principle in 2012**

**Tackle problems of esteem and prestige with apprenticeships. This could include:**

- **a reconsideration of the apprenticeship product;**
- **clarification of people’s understanding of the term “apprenticeship”;** and
- **more innovative ways of promoting and communicating an apprenticeship “brand” to young people.**

We are tackling parity between vocational learning and other post-16 educational routes through improving the scope of apprenticeships and access to high quality provision. Through improving the apprenticeship project (its relevance, level and progression) we are positioning apprenticeships alongside university provision as a

route into high value jobs and professions. To support this we are working with UCAS to apply points to apprenticeships which will support progress to Higher Education.

Degree Apprenticeships will help bridge the divide between vocational and academic pathways, with younger learners and their parents in particular being made aware that the qualifications are of high standing as they are underpinned by universities.

The establishment of a new single strategic authority for post-compulsory education and training to oversee the planning, funding and regulation of both vocational and academic routes would also help tackle esteem issues via a range of annual campaigns.

### **Recommendation 13 - Accepted in 2012**

**Ensure all young people and their parents receive high quality advice about opportunities provided by apprenticeships well before pupils choose their options for GCSE and vocational courses, and encourage schools to promote apprenticeships as a viable alternative to higher education.**

Encouraging schools to promote apprenticeships is a fundamental part to our approach, coupled with developing the product itself. Welsh Government activity includes:

- Two annual marketing campaigns to raise the profile of apprenticeships aimed at young people. The first campaign is run in conjunction with GCSE and A level exam results to promote apprenticeships as a credible and viable alternative to other pathways of study. The campaign includes targeted radio and digital advertising, supported by social media and PR.
- The second campaign during August is co-ordinated in conjunction with Careers Wales targeting young people during their exam results – called “Where Now”. This gives young people vital information on all options available to them following their exams.
- Ensuring up to date and engaging content is available to young people on the Careers Wales website.
- Promoting success stories of current / former apprentices through case studies and by securing positive news coverage in the local and regional press.
- Securing PR and press opportunities and utilising individuals that have benefited from apprenticeships.
- Developing engaging video collateral showcasing real life apprentices and promoting these via our social media and digital channels.
- An annual school engagement campaign involving Apprenticeship Ambassadors returning to their local schools to talk to current students about the benefits of the apprenticeship route.

All marketing and communications activity is integrated into wider areas such as WorldSkills, Have A Go activity, SkillsCymru events and provides platforms to highlight apprenticeships as a valid and tangible option.

In addition, independent and impartial careers information advice and guidance has a key role to play in raising awareness of apprenticeships and helping young people and their parents explore the opportunities an apprenticeship can bring to their career aspirations.

Last year Careers Wales engaged with clients and stakeholders to establish a forward vision for service reforms and digital transformation. The remit letter issued by Welsh Government to the company for 2017-18 supports delivery of these ambitions. As a result we expect to see significant increases in the number of advisers working in schools and with young people at key transition points. We expect the lessons and effective practice emerging from the 'Opportunity Awareness' pilot to be integrated into the Careers Wales offer in the year ahead, and have established the increased take-up of apprenticeships as a key organisational outcome to reflect this.

#### **Recommendation 14 - Accepted in 2012**

**Consider how apprenticeship opportunities can be better coordinated, promoted and tailored to ensure that local priorities and needs are strategically met.**

To raise the profile of apprenticeships, all new vacancies should be promoted via one central system and should be a contractual obligation linked into the delivery of apprenticeships by all contracted providers. This will enhance the visibility of apprenticeships in order to become more realistic to both parents and young people.

By maintaining a single system, reports and features could be developed to provide insight into local and regional requirements / priorities. This system could be enabled so that a digital feed is implemented across a range of channels to push out opportunities and a pull into other websites.

A better insight of local and regional activity Regional Skills Partnerships will provide us with the ability to target (geo-targeting) key groups and address specific needs. For example, we need early identification of lack of opportunities in specific geographical areas / sectors - and the ability to respond via the network of providers or the WG account managers.

#### **Recommendation 15 - Accepted in principle in 2012**

**Consider the possibility of grants, including grants for essential travelling costs, being made available to apprentices so that young people from the lowest income households are not deterred from applying for apprenticeships because of the adverse impact on family allowances.**

Any support for apprentices that supplements the wage would need to be declared for HMRC to consider whether it is taxable income. As this support would not be universal, the expectation is that it would be considered taxable.

The Apprenticeship Pay Survey for 2014 provided information on training, hours and pay for apprentices in Scotland, England and Wales. The Survey recognised that some young people are not receiving the pay to which they are entitled. Welsh Government is working with the apprenticeship provider network to minimise the risk of employers not honouring their National Minimum Wage obligations.

### **Recommendation 16 - Accepted in principle in 2012**

**Identify and monitor gender disparity in apprenticeships, the reasons for those disparities, and explore the feasibility of setting targets for improving the recruitment of female apprentices in the economic priority sectors.**

Under its Annual Remit (2013/14), the Welsh Government commissioned Estyn to conduct a two year thematic review of equality issues relating to the apprenticeship programme in Wales. The review was to consider engagement and participation barriers facing black, minority ethnic (BME) and disabled groups and to identify good practice models.

Estyn published the first of two reports in November 2014. The report identifies the barriers that prevent learners from BME communities and those with disabilities from engaging in apprenticeship programmes.

The report included recommendations for Welsh Government and the Work Based Learning Provider network.

The five recommendations for the provider network were to:

- work more closely with schools, employers, community leaders and organisations representing BME and disabled learners to improve awareness of apprenticeships;
- work more effectively with local education providers and other agencies to make sure that valuable experience and resources are shared to support apprentices from BME communities;
- work with community leaders to identify community co-ordinators who will co-ordinate action to raise awareness of apprenticeships in the BME communities;
- make use of role models to promote apprenticeships in the community; and
- work with the Welsh Government and awarding bodies to develop more awareness of the support available for delivering some elements of a qualification for learners with disabilities.

In response to the recommendations in the Estyn report, the National Training Federation for Wales (NTFW) wrote to Welsh Government to request funding for a member of staff who could provide supportive assistance to the provider network to address the recommendations.

In May 2016 an Equality and Diversity Champion was appointed to provide the provider network with a supportive structure to assist them in increasing the take up of Apprenticeships by individuals with protected characteristics.

### **Recommendation 17 - Rejected in 2012**

### **Recommendation 18 - Accepted in 2012**

**Ensure that clearer guidance is provided for employers on how to recruit apprentices and what to expect from learning providers.**

The referral process for employers has been refined and we are working with the Business Wales Skills Gateway team to ensure an efficient service is offered to employers looking to recruit an apprentice.

An animation video has been developed and is available online to guide employers through the referral and recruitment process.

A list of provision and contact details of providers is available which clearly sets out ability to deliver specific apprenticeship frameworks according to sectors and business area.

**Recommendation 19 - We accepted in 2012**

**Review the effectiveness of the working relationship between Careers Wales, Jobcentre Plus and sector skills councils as part of its rationalisation of the apprenticeships system.**

The system that underpins apprenticeship development and delivery was subject to Welsh Government consultation in 2013; the responses to that consultation informed the apprenticeship skills policy plan published in February 2017, *Aligning the apprenticeship model with the needs of the Welsh economy*<sup>2</sup>. This plan sets out how Regional Skills Partnerships have a role with interfacing with employers to influence apprenticeship investment in areas of skill shortages and skill gaps. A stakeholder survey of Careers Wales services undertaken in 2015 concluded that Careers Wales was approachable, understanding of needs, values and respects others, and supports their organisation effectively.

**Recommendation 20 - We accepted in 2012**

**Review the effectiveness of sector-managed apprenticeships for expanding apprenticeship take-up and raising standards of provision.**

In 2014 we issued a protocol to steer the development of potential Welsh Government supported Shared Apprenticeship schemes. From that point all Shared Apprenticeship Schemes have been assessed against the criteria to ensure they are fit for purpose and do not have a negative impact on standard provision. All Shared Apprenticeship Schemes have to demonstrate that they are based on 'extreme market failure' such as the Ebbw Vale Shared Apprenticeship where there had been no apprenticeship activity in the Engineering and Manufacturing sector for years.

## **Annex B**

### **Additional Information Request**

Update on the role of key players including:

#### **Regional Skills Partnerships (RSPs)**

RSPs are at the centre of our Skills Policy. Over the next five years, Welsh Government plans to deliver a post-16 learning environment which remains fit for purpose and sets Wales ahead of other nations of the UK and internationally. To achieve this we are taking a longer-term view of the strategic changes needed as set out in the Policy Statement for Skills.

Our Apprenticeship Policy Plan sets out a clear role for RSPs to identify key skills shortages across the regions of Wales. They also are tasked with identifying the demand the levy will create and proposals to meet that demand, by consulting with levy paying employers. Each RSP Chair is a member of the Wales Employment and Skills Board. This reporting mechanism provides a platform for regional employment and skills matters to be discussed by the membership of Wales Employment and Skills Board.

On 29 July 2016, the three RSPs submitted their regional employment and skills plans together with completed funding templates to inform prioritisation of funding provision for the academic year 2017-18. The next iterations of the plans are due in July 2017.

Regional employment and skills plans are driving planning decisions for providers and providing a critical evidence base from which to make skills investment decisions. This approach is providing the mechanism to enable Welsh Government to align regional skills provision to investment and growth opportunities, including the priorities identified by Enterprise Zones, City Regions/Growth Bids and cross border collaborations.

#### **Wales Employment and Skills Board (WESB)**

In January 2017, The Council for Economic Renewal agreed a new governance structure which will see closer alignment with the Wales Employment and Skills Board.

The revised governance structure will see a refreshed Wales Employment and Skills Board reporting directly to the renamed Council for Economic Development (CED), and the new Chair of WESB will be invited to become a formal member of the CED.

This new working arrangement will provide Welsh Government with a robust challenge and enhanced strategic perspective on skills, apprenticeships, higher education and lifelong learning matters. It will also serve to strengthen links with business, social enterprise and trade unions, to influence policy across a number of areas relevant to the economy.

The Apprenticeship Skills Policy Plan sets out a key role for WESB in providing the strategic direction for apprenticeship developments in Wales. WESB will provide the vehicle for ensuring that the apprenticeship system remains flexible and responsive to the ever and more rapidly changing needs of industry.

The first meeting of the refreshed WESB is to take place on Thursday 25 May 2017.

### **Sector Skills Councils (SSCs)**

The Welsh Government has worked with the other devolved administrations to establish and maintain the capacity of Sector Skills Councils to develop apprenticeship frameworks to meet employer demand in Wales. Following the demise of UKCES, in November 2016 the devolved nations have collectively commissioned a network of delivery partners to act as custodians for the National Occupational Standards and Framework system across the devolved nations, under contract to Skills Development Scotland. Collective commissioning has meant we are able to agree a fixed commissioning price for each product which, whilst the same as last year, is a reduction on the previous years' commissioning prices. Added to this there is no duplication of tendering for activity and development requests from delivery partners. This arrangement helps ensure the viability of the delivery partners to complete products commissioned.

The UK Government withdrew core funding for SSCs in 2012 although some SSCs were successful in securing short term contracts from UKCES to undertake activities relating to maintenance of apprenticeship frameworks and National Occupation Standards until 2015. SSCs no longer receive any UK Government funding and now operating on a commercial basis selling sector related products and services. A number of SSCs have merged and some have ceased trading.