Introduction

Following its Annual Reports in 2004, 2005, and 2006, the Nuffield Review\(^1\) is producing Issues Papers which focus on specific areas of concern with a view to widening the debate, testing out tentative conclusions and seeking further evidence. This Issues Paper asks: ‘To what extent will the apprenticeship route contribute to the desired increase in post-16 participation in England?’ It is one of three Nuffield Review Issues Papers dealing with issues surrounding apprenticeship: this, the first, examines quantitative aspects of the prospects for growth in apprenticeship in England, and the second deals with issues of quality in apprenticeship provision. A future paper will deal with apprenticeship provision in Wales. This paper acknowledges the considerable improvements in retention and attainment within apprenticeship, but it also examines the possible future contribution of apprenticeship to the overall performance of the 14-19 education and training system.

Ambitious targets

Much is currently being asked of the 14-19 education and training system in England. For example, one target is that, by 2015, the participation rate of 17 year olds should have increased to 90% and an aspiration has also been set that, by 2013, 85% of all 19 year olds should have achieved a level 2 qualification. Most recently, legislation for raising the age of participation has been announced\(^2\), which will make participation in education or training compulsory up to the age of eighteen – so the assumption is that the participation rate up to eighteen will rise to nearly one hundred percent.

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\(^1\) The Nuffield Review is an independent review of all aspects of 14-19 education and training: aims; quality of learning; curriculum; assessment; qualifications; progression to employment, training and higher education; providers; governance; policy. It has been funded for six years by the Nuffield Foundation, beginning in October 2003. It is led by a Directorate of Richard Pring and Geoff Hayward from the University of Oxford Department of Education, Ann Hodgson and Ken Spours from the Institute of Education, University of London, Jill Johnson from the Universities and Colleges Admissions Service (UCAS), Ewart Keep from SKOPE, based at Cardiff University and Gareth Rees from Cardiff University. Its reports and papers are available on the website www.nuffield14-19review.org.uk or from info@nuffield14-19review.org.uk.

“… we plan a radical overhaul of apprenticeships … A new matching service, rather like the UCAS university service, so that young people in any area can be matched up with businesses that are wanting and offering apprenticeships in every area of the country; a widening of the number of employers who now join the apprenticeship programme and we build on the 130,000 employers in all parts of Britain who have signed up for apprenticeships; we make the public sector a better partner, which it hasn't always been in apprenticeships, including changes in Whitehall itself; and we place a legal duty on the Learning and Skills Council to provide sufficient apprenticeship places in every area so that we can end a situation in which there can be only 95 apprenticeships completed in Hackney but over 2,500 today in Hampshire.”

2. David Lammy, the Minister with responsibility for Apprenticeship, called in October 2007 for public sector employers to play their part in helping the government to reach its target of 400,000 apprenticeships by 2020. He announced that - ⁵

“Working in partnership with employers, learners and training providers, we will introduce an entitlement to an apprenticeship for every suitably qualified young person that wants one by 2013. We are determined to make high quality Government funded Apprenticeships available and well regarded in all parts of the country.”

Expectations of apprenticeship

The government has high expectations of the Apprenticeship pathway. The hope is that it will play a key role both in meeting government participation targets and in fulfilling the demands of the skills agenda, as set out by the Leitch Review¹. Three recent statements signal the level of concern.

1. The Prime Minister Gordon Brown confirmed in his speech on education at Greenwich University on 31st October 2007⁴ the political importance attached to apprenticeship:

These increases in both participation and attainment are to be achieved by a system which is divided into a number of more or less distinct tracks:

• A GCSE – GCE A level pathway which forms the main route to Higher Education
• A broad applied, general vocational pathway where the new Diplomas will compete with a range of other qualifications offered by, among others, BTEC, OCR and City and Guilds (see Issues Paper 1)
• A variety of other work-related learning and work-based learning opportunities, such as E2E
• An occupational pathway, apprentice-ship, available to 16-19 year olds (as well as Young Apprenticeship for 14-16 year-olds and apprenticeships for older learners).

3. The House of Lords Select Committee on Economic Affairs argued that:

“Apprenticeship should be established as the main route to skills below graduate level. It should be the standard method for a combination of work and learning to contribute to the Government’s goal that all young people aged 17 and 18 should participate in some form of education and training.”

What these statements have in common is a political recognition of supply and demand imbalance. On the demand side, more apprentices are needed to meet assumed future skill shortages and to ensure young people stay in education and training for longer, and there is also recognition of continuing supply-side problems. This paper endorses these broad aims, but with the caveat that political will alone will not achieve them. There has to be a genuine commitment to implementation. Our focus in this paper is on the hopes and expectations for growth in apprenticeship numbers, and more particularly on what the evidence suggests about whether the hoped-for figures are likely to be achieved.

We have divided this Issues Paper into three parts.

1. In “Apprenticeship: a brief background” we provide a brief review of apprenticeship in England.

2. In “Participation by 16 – 18 year olds in work-based learning”, we examine trends in participation in work-based learning and apprenticeship by 16-19 year olds.

3. In “Strategies for Growth” we reflect both on ways of making progress and on possible barriers.

We conclude by raising some key issues affecting the prospects for growth in the apprenticeship route.

Section 1: Apprenticeship: a brief background

Apprenticeship as a preparatory route for a particular type of work has retained a particular cachet. Indeed, apprenticeship has remained particularly strong in certain sectors, such as construction, manufacturing, engineering and catering. However, as Ryan and Unwin argue, in the mid to late 1990s, the traditional elements and factors that had historically made apprenticeship economically and socially possible continued to decline: legislation disappeared, contractual agreements weakened, and demand for the goods produced by the apprentice trades fell, meaning that post-apprenticeship employment was no longer certain.

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7 This recognition is also evident in the announcement in November 2007 of increased investment in various areas of training. On 16th November 2007 the Secretary of State for Innovation, Universities and Skills, John Denham, announced a major investment programme for the skills and learning of the country. Over the next three years more than £11 billion a year will be invested in education, employment and training initiatives for young people and adults. See http://www.dius.gov.uk/press/22-11-07a.html for a summary of the key investments in basic skills training, level 2 and level 3 adult training and ‘Train to Gain’.

The period between 1960 and 1994 featured many new initiatives\(^9\), such as TVEI (Technical and Vocational Education Initiative), CPVE (Certificate of Pre-Vocational Education) and Youth Training and training schemes that aimed to avoid some of the perceived negative elements of traditional apprenticeship, such as focus on ‘time served’ rather than standards. However, Ryan and Unwin\(^10\) point out that the ‘... introduction of various government-sponsored training schemes led to a reduction of status for VET in general as the schemes became associated with cheap labour, social engineering and the massaging of employment statistics...’.

Fuller and Unwin\(^11\) argue that the ‘heyday’ of apprenticeship following the Second World War, and prior to the decline of the manufacturing industry in Britain in the mid-to-late 1970s, was characterised by a strong relationship between apprenticeship and community. Rover Body and Pressings, for example, had a total of 63 apprenticeship starts in Swindon in 1960, but by 2000 the number of starts had reduced to nil\(^12\).

**Modern apprenticeships**

Modern apprenticeships were introduced in 1994 in fourteen industrial sectors, and expanded to over 80 different sectors. They were then offered at two levels: Foundation Modern Apprenticeship, with NVQ level 2, and Advanced Modern Apprenticeship, with NVQ level 3 and Key Skills.\(^13\) Gospel and Fuller\(^14\) note that commitment from employers only remained evident in industries that already had traditions of apprenticeship such as engineering, construction, manufacturing and catering. In other areas the new Modern Apprenticeships bore strong hallmarks of the Youth Training Schemes they replaced, with restricted opportunities for off-site learning or structured on-the-job learning\(^15\).

**Apprenticeship today**

The current offer, initially (re)-introduced in 1994, and much modified since, consists of apprenticeship at level 2 and advanced apprenticeship at level 3. There is divergence at both the sectoral and the regional level, meaning that apprenticeship as a whole is a ‘mixed bag’, with apprenticeship featuring strongly in some traditional sectors, and making little impact in others. This may be partly to do with the fast-changing types of work that have emerged, such as in the ICT (information and


\(^13\) The Technical Certificate was introduced in 2001.


communication technologies) industry, where both young people and employers may find faster, more effective progression through a non-apprenticeship route. However, apprenticeship is an important element of the offer available to young people in England and Wales today, and can play a vital role, particularly in some sectors, in addressing skills shortages. The next sections analyse recent trends in participation in work-based learning and in the two levels of apprenticeship.

Section 2: Participation by 16-18 year-olds in Work-Based Learning

Previously, the Nuffield Review of 14-19 Education and Training has described upper secondary education in England and Wales (portrayed in Figure 1) as a school-based system, i.e. the overwhelming majority of learners are participating through full-time school- and college-based courses. The proportion of 16-18 year olds in Work-Based Learning in 2005 (7.5%) was at an all time low, having declined from 11.3% in 1994. Within the work-based route in 2005, the majority of learners were in the level 2 Apprenticeship programmes (5.1% of all 16-18 year olds), followed by Advanced Apprenticeship (2.7%) and Entry to Employment (E2E) (1.3%). Thus, in 2005 fewer than 1 in 10 16-18 year olds were participating in apprenticeship programmes in England. This raises the question of the extent to which apprenticeship is likely to contribute to meeting the target of 90% participation by 17 year-olds by 2015.

In addition, there is also the group of young people who leave the system at 16, 17 or 18, and who enter employment without government-funded training leading to a qualification (NET – Not in Education or Training, but in employment), or the Not in Education, Employment or Training (NEET) category. Unfortunately, the available data do not allow for a full deconstruction of the participation rates according to these pathways. In particular, it is now impossible to distinguish completely between those participating in the GCE-GCSE pathways from those in the general applied/vocational pathway, as students taking the equivalent of the old VCEs and the intermediate GNVQs are now counted together with those taking GCEs and GCSEs. Consequently, in terms of portraying the distribution of 16 -18 year olds across these categories it is necessary to collate the first two into a single category - Participating in Full-Time Education (FTE).

Figure 1 shows the proportion of 16-18 year olds in each of the categories using the most recently validated figures. The Work-Based Learning category is based on an aggregate of three of its components: Advanced Apprenticeship, Apprenticeship and E2E. The fourth WBL category, NVQ learning, only accounted for 0.1% of participation by 16-18 year-olds in 2005.

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17 This paper refers to the relevant data in the Statistical First Releases, available at www.readingroom.lsc.gov.uk, as they are the most recently validated data.

18 The most recent data on participation in work-based learning and apprenticeship contained in ILR/SFR14: Further Education, Work Based Learning, Train to Gain and Adult and Community Learning – Learner Numbers in England: 2006/07 do not provide disaggregated figures for those under and over the age of 19 in apprenticeship. Consequently these data have not been used in this paper.
16-18 year olds in 2005, which is in line with the policy shift towards framework-based WBL at level 2 and above. This reduction in choice in the WBL route may be having consequences for progression for some learners, and especially those with complex needs for whom the level 2 focus may represent too high a barrier.

Figure 1. Participation of 16-18 year olds in Full-Time Education (FTE) by level, Work-Based Learning (WBL) by type, and the percentage who are ‘Not in Education and Training (NET)-in employment’ and ‘Not in Education, Employment or Training (NEET)’, England 2005\(^{19}\).

Trends in participation in Apprenticeship and Advanced Apprenticeship

Figures 2a and 2b below show participation in apprenticeship measured in two ways – the number of young people starting apprenticeship (starts) and the number of young people currently on apprenticeship programmes (stocks) – from the academic year 2001/02 until 2006/07\(^{20}\). These data refer to apprentices of all ages, and not just to 16-18 year olds. A slight decrease in the number of Advanced Apprenticeship starts between 2003/04 and 2005/06 is evident, but there is an increase in the number of starts in the academic year 2006/07. Apprenticeship starts peaked in 2003/04 and have subsequently declined, though again there was an increase in the academic year 2006/07. However, from the available data we cannot determine the extent to which this increase in starts reflects an expansion of apprenticeship for those aged under 19, over 19 or both.

Figure 2a Starts in Advanced Apprenticeship and Apprenticeship frameworks, England: 2001/02-2006/07\(^{21}\).

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\(^{20}\) One of the challenges of working with national statistics is differences in reporting of time. For some purposes this is done in calendar years, at other times, as here, in academic years.

The stock of Advanced Apprentices is currently waning, as shown in Figure 2b. The stock of Apprentices increased steadily between 2001/02 and 2004/05, when it reached a plateau, and there has been a decrease between 2005/06 and 2006/07.

Figure 2b Participation in Advanced Apprenticeship and Apprenticeship, year average in learning, England: 2001/02-2006/07

Figure 3 indicates that similar trends are occurring in the percentage of 16-18 year olds participating in Advanced Apprenticeship and Apprenticeship as a percentage of those in education and training. By using the aggregate number of 16-18 year olds in education and training it is also possible to estimate the number of apprentices participating, as shown in Figure 4.

Figure 3 Participation in Advanced Apprenticeship and Apprenticeship by 16-18 year olds as a percentage of those in education and training, England: 2000/01-2005/06

Figure 4 The estimated number of 16-18 year olds participating in Advanced Apprenticeship

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Apprenticeship and Apprenticeship programmes, England: 2001-2005

It is difficult to determine the extent to which the 10% increase in the number of apprentices in 2004 is primarily a function of the increase in the size of the 16-18 cohort, or a significant increase in the proportion of the age cohort who are learning through apprenticeship.

Prospects for growth

What these data collectively suggest is that under current circumstances the participation rates in apprenticeship seem to be reaching a plateau, with limited prospects for growth. However, apprenticeship remains an important type of formation training in certain sectors of the economy and is attractive to young people as an alternative to school- and college-based provision. In particular, encouraging young people who leave school at 16 and 17 to enter apprenticeship might be a way to increase participation rates among 17 year olds to 90%. In addition, increasing the number of young people who progress from entry level and level 1 through apprenticeships could lead to a rise in the proportion achieving Level 2 qualifications.

A possible alternative

Alternatively, trying to move the education and training system back to a more mixed model, with a greater proportion of those who currently remain in full-time education post-16 electing to follow the apprenticeship route, might be a possibility. This would certainly raise participation rates in apprenticeship; however it would largely be a substitution of one form of education and training for another and therefore have little impact on overall 16 – 19 participation rates. Furthermore, such an approach is likely to have an impact on another flagship government policy, the expansion of Higher Education, especially among those from more disadvantaged backgrounds who traditionally have entered work-based routes. Certainly this is an alternative that is being actively talked up by some, but the incentives for young people to pursue such a course of action when they could have chosen a more certain route to Higher Education by remaining in a full-time pathway are not clear. What is certain is that young people would need to be more carefully advised about the respective economic returns of the various pathways available to them if young people are to seriously think about the possibility of apprenticeship rather than, say, GCE A level or Advanced Diplomas. The next section speculates on how growth in apprenticeship participation might be stimulated and what the possible barriers to growth might be.


Section 3: Strategies for Growth

What kind of strategies could lead to an increase in participation in apprenticeship, at level 2 and level 3? What might be the potential barriers to implementing these strategies successfully? The following section outlines some suggestions made at the Nuffield Review workshop on apprenticeship held in Oxford in March 2007, and also identifies potential barriers to the success of these strategies.

• Improved and impartial information, advice and guidance (IAG) on apprenticeship
  This strategy depends on the willingness and capacity of teachers to engage with the full range of potential occupations offered by apprenticeship. For it to be successful, there may well be a need for greater involvement by local employers and school-leavers who have moved into particular fields of work. Another factor is the pressure on institutions to retain students, especially as the 14-19 cohort dwindles. This may make impartiality more elusive as providers seek to maintain their viability.

• Increase in availability of work placements and pre-apprenticeship ‘tasters’
  There was agreement at the Nuffield Review Apprenticeship workshop that greater availability of work placements in Years 9 and 10 would benefit learners in their decision-making process for post-16 learning. However, this depends on the willingness and capacity of employers to offer the placements and ‘tasters’. In addition, the school curriculum is already very crowded, so availability of time may also be an issue. A suggestion was made at the Nuffield Review apprenticeship workshop that a cross-cutting theme on the world of work (similar to the cross-cutting theme on citizenship, for example) could be beneficial. However, this strategy faces the obvious problem that the curriculum is already overloaded.

• Collate and disseminate more information on the career pathways of former apprentices, using a ‘youth ambassador’ scheme
  There may be difficulties in collecting the information, but this strategy has the potential to raise the profile of apprentices and apprenticeships, and to ensure that young people are aware of the opportunities represented by apprenticeship.

• Persuade more employers (from private and public sectors) to offer apprenticeship places
  The need for greater employer involvement has been repeated again and again with regard to apprenticeship. However, persuasion and incentives have not been overly successful so far. The relatively small number of places in the public sector may constitute an opportunity for growth, but job insecurity in the public sector may undermine this. Financial incentives for employers may not be sufficient to compensate for the effort required to offer apprenticeship places. Also, not all employers are suitably equipped to provide a high quality learning experience. Furthermore, changing structures of employment, for example processes of subcontracting in the construction industry, may reduce employers’ willingness and
capacity to offer long-term apprenticeship training. In addition, emerging jobs in fast-moving areas such as the creative and ICT industries may be less suitable for formation training through an apprenticeship type approach.

- Set up a ‘clearing house’, similar to the one used by UCAS, in order to match unfilled apprenticeship places with interested young people who may not otherwise be aware of these opportunities. This requires significant initial investment in order to make sure the information was up-to-date and secure. This strategy has the potential to support both employers and young people, but successful implementation may prove problematic.

- Promote greater collaboration between companies and individual employers, for example through modernised Group Training Agreements, as well as between FE colleges and training providers. Collaboration is problematic because of the pressure on institutions to retain learners, as well as the competition between training providers and FE colleges in terms of their contacts with employers. For employers, providing collaborative apprenticeship training requires significant commitment and dealing with logistical problems.

- Encourage participation by young women in sectors traditionally popular with young men, and vice versa. There is a need for investment in ‘taster’ courses for young people to test out particular fields of work, as they are unlikely to commit to what may be perceived to be a non-traditional route without some experience of the relevant working environment.

- Encourage greater participation in apprenticeship, as well as successful completion, by black and ethnic minority groups. Ethnic minorities are significantly under represented in apprenticeship training. For example, in 2006/07 70.2% of those participating in provision in Further Education colleges described themselves as white British. By contrast, in the same year 91.1% of those participating in work-based learning funded by the LSC were identified as white British. One particular issue here is the need for more BME employers to be involved in providing apprenticeship.

**Potential policy confusion**

There is the political will to increase participation in apprenticeship for young people. However, the statistical evidence suggests that the trends in participation rates are reaching a plateau for Apprenticeship and declining for Advanced Apprenticeship. Despite the welcome increase in apprenticeship and advanced apprenticeship starts in 2006/07 there appears to be only limited capacity to expand further under current circumstances. A number of suggestions to promote apprenticeship to young people and to increase the supply of apprenticeship places have been outlined in this paper. However, each has associated with it at least one or more barriers to the implementation of that suggestion, which in part arise from ambiguity and confusion in the wider policy landscape for this age group.

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For example, the introduction of Diplomas, as part of a wider 14-19 entitlement, is seen as a key stimulus for growth. However, these may have a negative impact on the uptake of apprenticeship if they encourage more young people, who might previously have considered apprenticeship, to stay in full-time education. Furthermore, the addition of yet another qualification pathway, at a time when the size of the age cohort will begin to decline\textsuperscript{28}, could lead to schools and colleges encouraging young people who might have wanted to try apprenticeship to stay in full-time education to maintain the viability of these institutions. It is as yet unclear whether, and how, progression opportunities between Diplomas and apprenticeships will be made possible.

Ironically, at a time when choice is expanding in the full-time route, choice in the work-based learning route is declining. For many young people participating in, for example, E2E, progression to an apprenticeship may not be a realistic option. Furthermore, the increasing accountability systems associated with apprenticeship may make a training provider less willing to take the risk of taking on a graduate from an E2E programme onto an apprenticeship. One barrier to the growth of apprenticeship may include the requirement by the LSC from 2007/08 for courses offering apprenticeship at level 3 to have a minimum successful completion rate of 40%. This may well mean that learners with more complex needs may not gain places on such courses, as they represent a risk to the FE college or training provider.

The removal of the stand alone NVQ route in the WBL pathway, which may have been a more appropriate option for learners completing E2E provision, and from which they might subsequently have topped up to a full apprenticeship, may, in hindsight, have been a mistake. Whether the Foundation Learning Tier can accommodate the needs of this group of learners and help them to progress to apprenticeship is unknown at this stage. Another unknown is the possible impact of raising the participation age to 18, combined with the reduction in the size of the age cohort which may lead to a tightening of the youth labour market. Might this lead to a more mandatory approach to training for employed young people, such as a greater use of licences to practice, which might reinvigorate the growth of apprenticeship?

Another alternative would be to continue the process of rebranding and expanding the concept of apprenticeship to cover existing activity. For example, an examination of a recent LSC policy document\textsuperscript{29} reveals the importance attached by the LSC to so-called ‘Programme-Led Apprenticeships’ (PLAs), which are mainly college-based.\textsuperscript{30}


The document emphasises that employer-led apprenticeship should still represent the provision of choice, but PLAs would allow young people who were not successful in finding an employer to pursue their chosen vocational pathway, with the aim of finding an employer once they had completed their college-based training. If all PLAs are to be counted as ‘apprenticeship’, this will lead to an apparent growth in apprenticeship participation, while neglecting one of its historical key features: a contractual relationship with an employer. This type of policy move also raises serious issues about the quality of apprenticeship programmes. These issues are examined in Issues Paper 4.

Key issues affecting prospects for growth in the apprenticeship route

1. To what extent is it acceptable to include programmes such as Programme Led Apprenticeship as apprenticeship provision? Does this dilute the broader understanding of what apprenticeship is/should be, and what is the implication of this for the important role traditionally played by learning at the workplace in apprenticeship provision?

2. What incentives need to be put in place to encourage employers to offer high-quality apprenticeships?

3. How might schools best raise awareness of apprenticeship, and encourage young people, their teachers and their families to investigate apprenticeship as a possible progression route?

4. What role should apprenticeships play in a) skills policy and b) in raising participation rates post-16?

The following people have been involved in the production of this Issues Paper: Geoff Hayward, Alis Oancea and Stephanie Wilde.

The ideas in the paper were discussed and elaborated on as a result of discussion at the Nuffield Review Workshop on Apprenticeship, held in March 2007. Participants included: John Berkeley, Michaela Brockmann, Roy Canning, Steve Capewell, Alex Carrington, John Cassels, Linda Clarke, Sally Dicketts, Hubert Ertl, Victor Farlie, Alison Fuller, Jim Gallacher, Stephen Gardner, Howard Gospel, Geoff Hayward, Ewart Keep, Neil Mitchell, Alis Oancea, Richard Pring, Catrin Roberts, Peter Sloane, Thomas Spielhofer, Geoff Stanton, Stef Stefanou, Lorna Unwin, John West, Stephanie Wilde, Richard Williams and Chris Winch.

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