
First Special Report of Session 2008–09
The Innovation, Universities, Science & Skills Committee

The Innovation, Universities, Science & Skills Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Innovation, Universities and Skills.

Current membership

Mr Phil Willis (Liberal Democrat, Harrogate and Knaresborough) (Chairman)
Dr Roberta Blackman-Woods (Labour, City of Durham)
Mr Tim Boswell (Conservative, Daventry)
Mr Ian Cawsey (Labour, Brigg & Goole)
Mrs Nadine Dorries (Conservative, Mid Bedfordshire)
Dr Ian Gibson (Labour, Norwich North)
Dr Evan Harris (Liberal Democrat, Oxford West & Abingdon)
Dr Brian Iddon (Labour, Bolton South East)
Mr Gordon Marsden (Labour, Blackpool South)
Dr Bob Spink (UK Independence Party, Castle Point)
Ian Stewart (Labour, Eccles)
Graham Stringer (Labour, Manchester, Blackley)
Dr Desmond Turner (Labour, Brighton Kemptown)
Mr Rob Wilson (Conservative, Reading East)

Powers

The Committee is one of the departmental Select Committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No.152. These are available on the Internet via www.parliament.uk

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/ius

A list of reports from the Committee in this Parliament is included at the back of this volume.

Committee staff

The current staff of the Committee are: Sarah Davies (Clerk); Glenn McKee (Second Clerk); Dr Christopher Tyler (Committee Specialist); Dr Joanna Dally (Committee Specialist); Ana Ferreira (Committee Assistant); Camilla Brace (Committee Secretary); Anna Browning (Committee Secretary); Jim Hudson (Committee Support Assistant); and Becky Jones (Media Officer).

Contacts

All correspondence should be addressed to the Clerk of the Innovation, Universities, Science & Skills Committee, Committee Office, 7 Millbank, London SW1P 3JA. The telephone number for general inquiries is: 020 7219 2793; the Committee’s e-mail address is: iuscomm@parliament.uk.
First Special Report


Appendix: Government response

The Government welcomes the pre-legislative report by the House of Commons Select Committee on Innovation, Universities, Science and Skills into the draft Apprenticeships Bill, the provisions of which are now included in the Apprenticeships, Skills, Children and Learning (ASCL) Bill. We would like to thank the chairman, Phil Willis MP, and his colleagues for their considered and detailed recommendations.

The Committee supports the broad thrust of Government legislative intent with respect to apprenticeships and securing the UK skills base in future years. However, it also offers thoughtful and constructive comments on areas where further improvements could be made.

We turn now to the report’s recommendations. The Select Committee’s recommendations are in bold text; the Government’s response is in plain text.

**Recommendation 1**

We recommend that, when it decides that a piece of legislation will be subject to pre-legislative scrutiny, the Government consult with the select committees likely to carry out scrutiny and agree a timetable and arrangements before publication of the draft legislation, in order to allow committees to plan their work. (Paragraph 7)

**Response**

We agree with the Committee and apologise for the very short notice given to undertake the pre-legislative scrutiny. We are grateful for their agreement to scrutinise the Bill despite the short timescales.

**Recommendation 2**

We recommend that, when publishing draft bills for pre-legislative scrutiny, the Government provide comprehensive documents describing the policy behind the legislation and the detailed operation of the arrangements in the draft legislation. In addition, we recommend that it also publish a comprehensive impact assessment
covering all the proposals in the legislation, including the costs of establishing and running new public sector organisations or arrangements. (Paragraph 8)

Response

We recognise the importance of making available to Select Committees for pre-legislative scrutiny the full range of documentation on policy analysis, operational policy delivery and costings on new delivery arrangements to enable members to have the full picture and implications of any proposed changes. We agree with the committee that this should indeed be the case in the future and will do our best to ensure that this happens.

Recommendation 3

We have grave concerns that the Departments have treated consultation with the Welsh Assembly Government and the National Assembly for Wales as an afterthought. The consultation on the operation of apprenticeships in Wales and on the application of the draft legislation to Wales has clearly been inadequate and we recommend that the Government rectify this deficiency before the provisions in the draft Bill are finalised. (Paragraph 10)

Response

During the development of the Bill we have worked with all the Devolved Administrations, including the Welsh Assembly Government. It is part of the devolution settlement to allow the devolved administrations to decide for themselves how they want the powers to be exercised in the devolved areas. Welsh Assembly Government Ministers have requested a number of amendments to the proposed provisions in respect of their operation in Wales and these have been incorporated in the ASCL Bill.

Recommendation 4

We conclude that the Government is to be congratulated on its achievements in expanding the number of apprenticeships. But within the overall improvement there are some trends which give rise to concern, in particular, the fall in advanced apprenticeships. The Leitch review of skills and the strategy set out in World-class Apprenticeships also demonstrate that it recognises that more needs to be done. (Paragraph 15)

Response

We are committed to increasing the number of advanced apprenticeships. The mix of level 2 and advanced (level 3) apprenticeships reflects the skills demands of employers. However we should note that advanced apprenticeship numbers have increased not fallen. The proportion of all apprenticeships that are advanced has increased as have the total number of advanced apprenticeships. 73,000 people started an advanced apprenticeship in 2007–08 up 40% from 2005–06.

We agree with the Committee that it is important to monitor trends in the Apprenticeship programme. In taking forward the commitments in World-class Apprenticeships, the
National Apprenticeship Service (NAS) will actively manage the expansion of Apprenticeships to deliver growth at all levels. There have been over two million Apprenticeship starts since 1996–97 and Apprenticeship starts are increasing. There were 65,000 Apprenticeship starts in 1996–97 and we saw a record high of 225,000 Apprenticeship starts in 2007–08.

**Recommendation 5**

We recommend that the finalised legislation define “apprenticeship” and “advanced apprenticeship”. (Paragraph 20)

**Response**

The definitions will be contained in secondary legislation within the Specification of Apprenticeship Standards for England (SASE) and, for that reason, we do not think that it is appropriate to have detailed definitions on the face of the Bill. The SASE will be available for scrutiny during the passage of the ASCL Bill and will be published for full public consultation.

**Recommendation 6**

We conclude that so called programme-led apprenticeships could provide a useful preparation for an employer-led apprenticeship but they are not apprenticeships within the meaning of the proposals in the draft Bill. We recommend that, for the sake of clarity, “programme-led apprenticeships” are renamed “pre-apprenticeship training” or an appropriate title reflecting the nature and function of the training. We further recommend that the Government review the purpose of what has been called programme led apprenticeships, to ensure that the content of the training meets the requirements of participants. We also recommend that the Government make the connection between “programme-led apprenticeships” and apprenticeships transparent. It should be clear to participants how the qualifications achieved through completing the “programme-led apprenticeship” connect with, and may count towards, the successful achievement of the qualification requirements specified in the (follow-on) apprenticeship. (Paragraph 23)

**Response**

We agree with the committee’s view that programme-led apprenticeships provide a useful route to, but are not in themselves, apprenticeships within the meaning of the proposals in the ASCL Bill. However, if a person has done the training for the principal qualification as part of a programme-led apprenticeship, it would be possible for them to enter into an apprenticeship agreement subsequently, and it may be possible for them to be issued with an apprenticeship certificate under the alternative English completion conditions set out in clause 2 of the Bill.

We accept the recommendation to review programme-led apprenticeships and to consider renaming them if necessary. The Specification of Apprenticeship Standards for England will also require all frameworks to set out clear progression pathways for apprenticeships, including pre-apprenticeship learning routes and minimum entry requirements.
Recommendation 7
We concur with the Association of Colleges that the system put in place by the draft Bill must ensure that there is flexibility to allow training providers—further education colleges and independent learning providers—to play a full part in the promotion and expansion of apprenticeships and that there should be scope for them to develop new roles such as brokers and the provision of support geared to the needs of small businesses. (Paragraph 24)

Response
We agree that providers do have an important role to play in promoting apprenticeships and supporting small businesses. We consider that the legislation is sufficiently flexible to enable this. However, there is an important role here for the integrated skills brokerage service and the newly established NAS. Whilst we expect colleges and providers to provide support tailored to the needs of small businesses, this should complement not compromise the principle of a ‘one-stop shop’ approach for employers.

Recommendation 8
We draw to the attention of the Government the concerns of the learning providers about their capacity to provide enough training for apprenticeships. We invite the Government to explain, in responding to this Report, what plans it has to encourage greater provision of training, to meet the needs of those exercising their right to apprenticeships under the draft Bill. (Paragraph 25)

Response
The LSC have undertaken research with over 500 training providers to look at the apprenticeship provider base and consider what capacity there is in the sector to expand apprenticeship provision and what measures should be taken to ensure provision can expand in line with growth expectations—the final report will be published in due course. The NAS will be responsible for taking forward these actions, working with the Learning and Skills Improvement Service (LSIS) which is responsible for providing support to the sector to improve leadership and capacity of provision. The LSC is working with LSIS to develop a plan to support apprenticeship capacity building for providers. This is in addition to the support already provided for Train to Gain providers, many of whom offer apprenticeships as part of the employer offer.

Recommendation 9
We conclude that the legislation is justified as it creates a new entitlement that every young person with the right qualifications should be able to take up an apprenticeship and to make provision for some of the functions of the putative National Apprenticeship Service. The contribution that the legislation will make to the expansion, improvement and status of apprenticeships will depend on its implementation. (Paragraph 28)
Response

We note the committee’s support for legislation that will ensure that there are sufficient apprenticeship places for every suitably qualified young person that wants one. This is a key element in enabling young people to meet their duties under the raised participation age. The implementation of apprenticeship policy and the delivery of the expansion of the Apprenticeship programme will be the responsibility of the NAS. The NAS will be fully operational from April 2009. It will be housed initially within the LSC until the new Skills Funding Agency is in place. NAS will include regional teams responsible for employer engagement and learner support A key strand of this is the online National Vacancy Matching Service (NAVMS) which was launched in January 2009 and is available across England.

Recommendation 10

We agree with the Government that employers have to be at the heart of the apprenticeship programme. Without their full support the renaissance in apprenticeships will not be achieved. We welcome the support that employers’ organisations have given to the policy. (Paragraph 30)

Response

World-class Apprenticeships set out a key role for Sector Skills Councils (SSCs) in working with employers to develop and issue appropriate apprenticeship frameworks. We also welcome the positive contributions to the development of apprenticeship policy by the CBI, the Federation of Small Businesses and other employer-led organisations, and the Apprenticeship Ambassadors Network in engaging the support of wider employer commitment to offering apprenticeship places.

Recommendation 11

Taking the draft Bill as a whole, we conclude that, for those employers represented by the CBI and the British Chambers of Commerce, the draft Bill has the potential to deliver two of their key requirements: a reduction in unnecessary bureaucracy through greater flexibility and streamlining of the central government agencies supporting apprenticeships. The extent to which these goals are achieved will depend on the implementation of the framework provisions and the operation of the National Apprenticeship Service. (Paragraph 35)

Response

We agree with the Committee that the Bill has the potential to deliver significant reduction in unnecessary bureaucracy. The Government has also committed to a series of short term actions to reduce bureaucracy. We agree that one of the NAS roles will be to continue to challenge and remove unnecessary bureaucracy for employers. As part of the Skills Funding Agency, NAS will operate as part of an employer-responsive gateway linking and streamlining training services for employers.
The Department for Business and Regulatory Reform has conducted a recent survey of small businesses to establish what bureaucratic and other barriers exist which prevent small business engagement with the apprenticeships programme. Interestingly, the principal barriers seemed to be gaining access to information about the programme rather than bureaucracy as such. We believe that the NAS will enable these employers to have a single channel of communication on apprenticeships, providing up to date and comprehensive information and enabling employers to express their needs. We will also be looking to the NAS to facilitate cross-referral amongst providers to ensure that employers can access apprenticeship places where they want them.

**Recommendation 12**

We recommend that the draft Bill be revised to place a duty on the National Apprenticeship Service to facilitate the setting up of bodies such as Groups Training Associations, to assist small businesses to carry the administrative burden of setting up apprenticeships, organising training and securing financial support. The duty should also require the National Apprenticeship Service to ensure that such bodies cover all sectors and put small and micro-businesses within their reach. We also recommend that in responding to this Report the Government set out the extent to which it expects the public sector—both central and local government—to carry out these functions. In addition, we recommend that, where an apprenticeship is facilitated under the auspices of such a body, the apprentice must be employed by a business, not the body providing administrative support. (Paragraph 42)

**Response**

We recognise the key role that Group Training Associations (GTAs) have to play in promoting and delivering apprenticeships.

The ASCL Bill will require the CE of Skills Funding to secure apprenticeship training (clauses 80 and 92) and encourage the provision of apprenticeships training amongst employers (clauses 82 and 96).

These duties will be delegated to the CE of the NAS. We consider that it is an operational matter for the CE and the staff of the NAS to consider how to discharge these duties. The expectation is that in doing so they follow and develop best practice.

We would not want to prevent the possibility of models such as that developed by the London Apprenticeship Company (based on the Australian approach) and similar examples such as that of Salford Borough Council from being developed—which are especially helpful for micro-businesses in sectors where no one individual business is able to employ the apprentice.

We do expect the public sector to play its full role in providing apprenticeship places.

**Recommendation 13**

We recommend the draft Bill be amended to provide that apprentices aged 16 to 18 be paid the Minimum Wage Development rate within a specified time. (Paragraph 44)
Response

The Government has asked the Low Pay Commission to consider the current apprentice exemptions from the national minimum wage (NMW) and we would not want to compromise this investigation which is due to report in May. Any requirement concerning the NMW should be more properly dealt with under NMW legislation and regulations. We have separately announced an increase in the minimum weekly earnings for all apprentices from £80 to £95 from August 2009. This will protect further those not covered by the NMW.

Recommendation 14

We conclude that the economic downturn throws up challenges and opportunities for the Government’s policy on apprenticeships. There are, as far as we can see, no provisions in the draft Bill that have been specifically designed to encourage the provision of apprenticeships during the downturn. We recommend that the Government set out in detail (i) how it expects the public sector, both central and local government, to provide and organise apprenticeships to meet the challenges of the downturn and (ii) what additional resources will be provided. (Paragraph 48)

Response

The Government is addressing current economic downturn now through a range of Apprenticeship flexibilities and freedoms that recognise alternative apprenticeship completion conditions and different ways of working to allow those made redundant to complete their apprenticeship. The Bill provides for sufficient flexibility in how the Apprenticeships programme operates, including powers for the Secretary of State to suspend by order the apprenticeship scheme in a particular sector or at a particular level for up to 2 years.

It is important that legislation works in good times and bad and that the legislation will give the freedoms necessary to cope with downturn without compromising quality. The Bill provides a degree of flexibility in how the Apprenticeships programme operates. We are also amending the draft legislation in light of Recommendation 33 below.

Recommendation 15

We recommend that, in responding to this Report, the Government clarify whether it expects the majority of apprentices within the civil service and public sector to be existing employees who “convert” to apprenticeships and what steps it is taking to monitor the quality of the training provided to apprentices in the private and public sectors who “convert”. (Paragraph 49)

Response

DIUS and DCSF policy has been to recruit as many people into apprentice positions as possible but we are committed to offering the opportunity of an apprenticeship to existing staff where there is a requirement. Apprenticeships can be a valuable opportunity for both existing and new staff to progress, depending on individual skills needs. Conversions
demonstrate an organisation’s understanding and commitment to the role of apprenticeships. This is properly a matter for each organisation’s human resource strategy and will depend on existing labour force skill levels and recruitment patterns. All apprenticeships irrespective of prior employment status are subject to the same high level of quality assurance through Ofsted inspection, the framework for excellence and performance management arrangements.

**Recommendation 16**

From the perspective of support for apprentices we consider that the winding-up of the Learning and Skills Council poses particular challenges at an important time. The primary cause for the change falls outside the scope of our inquiry and is unrelated to improving and promoting apprenticeships. We took limited reassurance from the Learning and Skills Council’s evidence about continuity and are concerned that the establishment of the National Apprenticeship Service may be seen as the by-product of a wider reorganisation, which is principally concerned with the raising of the education and training leaving age to 18. We recommend that, in the documentation accompanying the finalised legislation, the Government set out in detail the organisational implications of the raising of the leaving age on the expansion and operation of apprenticeships and reaffirms the central position of the National Apprenticeship Service. (Paragraph 52)

**Response**

We accept the Committee’s recommendation. We will set out in detail the organisational arrangements for the delivery of apprenticeships and position of the NAS for the committee stage of the ASCL Bill.

We are committed to developing successful transition arrangements to plan and prepare for this change programme, including continuing to support the Learning and Skills Council in delivering its critical programme of work until the new structures are in place. The changes are an important step in our plans to raise the participation age, and are essential to ensure that strategic skills needs are met effectively. We recognise that employers, schools and colleges will need to work with us to respond to this challenge.

**Recommendation 17**

We were unable to form a conclusion on the operation of the National Apprenticeship Service—for example, its relationship to the existing National Employer Service which contracts with large employers for apprenticeships—because little information about its operation was provided with the draft Bill, supporting documentation or in response to our questions. Nor were we provided with evidence to be able to judge whether the Government’s claims that the National Apprenticeship Service would provide an improved service were justified. Given the future importance of the Service this lack of information is completely unsatisfactory. We recommend that, to accompany the finalised legislation, the Government produce a detailed memorandum setting out how the National Apprenticeship Service will operate at national, regional and local level to fulfil its functions, setting out the proposed number of staff to carry
out each function, along with a budget showing the costs of setting up and running the Service. (Paragraph 56)

Response

The NAS will not be fully operational until April 2009 therefore it will not be possible to provide evidence to the Committee at this stage on how the NAS is fulfilling its functions. The NAS will be housed within the LSC and we will expect the CE of the NAS to define clearly how it will operate at regional, local and national level. We also expect the CE of NAS to develop and publish an annual report setting out operational priorities and progress later in 2009.

Recommendation 18

In view of the functions allocated to the National Apprenticeship Service we conclude that it is important that the targets on apprenticeships measure the starts and completion rates of apprenticeships by sector and size of business, charting milestones towards the Government’s aspiration of 400,000 apprentices in England by 2020. In addition, the targets need to provide an accurate measure of quality of training. We recommend that the Government draw up and publish with the finalised legislation an indicative set of targets for the prospective National Apprenticeship Service. (Paragraph 57)

Response

As stated in World-class Apprenticeships, we no longer use average in-learning figures (400,000) but use apprenticeship starts and completions to ensure that accurate comparisons can be made. Data has not been collected historically on the basis of size of business, and sector (although data is collected on the framework e.g. engineering, health and social care etc.) From 1 August 2009, a change in the application of the Individual Learner Record (ILR) will allow us to collect data about the employers using this system. However, a full year’s data will not be available until December 2010. The NAS will be expected to deliver the apprenticeship figures outlined in the LSC’s Statement of Priorities published in November 2008.

Recommendation 19

We conclude that the collection of accurate and timely data on apprenticeships will be crucial not only to the measurement of progress against targets but also informing the formulation of policy. But the requirements to supply data have to be such as not to impose an undue burden on business. We recommend that the Government draw up and publish with the finalised legislation its plans for the collection of data on apprentices and apprenticeships and for the publication of data. The data required will need to differentiate between new entrants and those converting from existing employment to an apprenticeship, track the progression to apprentices and identify characteristics such as age, gender, ethnic background, disability and sector. (Paragraph 60)
Response

Improved arrangements to publish more detailed data on a more frequent basis have recently been implemented with the most recent Statistical First Releases (published 18 December 2008.) Most characteristics are adequately supported but it is not currently possible to distinguish reliably between new entrants and conversions. Under current Information Authority arrangements the earliest time at which revised data that may support this aspect could be collected would be from 1 August 2010.

However, we agree the need to develop a better understanding of what drives employers and how they use apprenticeships as part of their workforce strategy. In the public sector, we are working with Government Skills to identify how many of the apprentices in Government Departments are new recruits and how many are existing employees.

Recommendation 20

We recommend the legislation impose a duty on the National Apprenticeship Service to promote and enhance apprenticeships. (Paragraph 61)

Response

We accept the Committee’s recommendation. The ASCL Bill will require the Chief Executive of Skills Funding to encourage apprenticeships (clauses 82 and 96). This will be one of the functions that are delegated to the CE of the NAS.

Recommendation 21

We conclude that the Government’s proposal to replace completion certificates issued by Sector Skills Councils with a “national” certificate issued by the National Apprenticeship Service fits with the proposals in the draft Bill to achieve national recognition for apprenticeships. We also conclude that the draft Bill will not, and should not, substantially change the existing structures and roles played by the Sector Skills Councils. (Paragraph 64)

Response

We agree with the Committee’s recommendation. The Bill will not seek to change substantially the existing structures of the SSCs. However, under the proposed legislation, SSCs will have a vital new role to play in developing Apprenticeship Frameworks. They will play an important part in ensuring that there are appropriate and relevant apprenticeships to meet the needs of employers in their industry sector—and to ensure that they meet the requirements set by the SASE.

Recommendation 22

We recommend that the National Apprenticeship Matching Service be designed to complement, not replace or duplicate, existing arrangements for putting prospective apprentices in contact with employers, and that the primary focus of the Service be on meeting local needs. The results of the trials currently underway should be published before the Second Reading of the Bill. Finally, we recommend that the Government
draw up and publish with the finalised legislation its estimates of the costs for the setting up and running the Matching Service. (Paragraph 67)

**Response**

We agree with the Committee’s recommendation about the design and purpose of the NAVMS. It has indeed been designed to complement, and not replace or duplicate, existing arrangements. For example the service provides flexibility of involvement for employers and allows links to their or their training providers’ websites.

Estimates have been included in the regulatory impact assessment and we do not propose to publish costs in advance of making an assessment of the impact. The full evaluation is expected after 2010.

**Recommendation 23**

The draft Bill makes no reference to quality of apprenticeships. We conclude that the consequences of the substantial expansion of the numbers need to be carefully monitored, to ensure that the quality of apprenticeships as a brand is safeguarded.

Ofsted is not suitable to carry out this role as its focus is not on apprenticeships and its approach has been characterised as bureaucratic and mechanistic. In our view the most suitable candidate for this essential job is the National Apprenticeship Service. We recommend that the finalised legislation must contain a provision requiring the National Apprenticeship Service to test and report on the quality of apprenticeships in England. (Paragraph 74)

**Response**

The ASCL Bill requires the CE of SF to have regard to the quality of the training in respect of the duties to secure apprenticeships places for both those aged 16–18 (clause 80) and aged over 19 (clause 92.)

In addition, the report from the CE of the NAS to Ministers on the performance of apprenticeship functions, required under clause 79, would include a report on the overall quality of apprenticeship training.

The main measure of success for apprenticeships is the proportion of apprentices who successfully complete their apprenticeship frameworks. We have seen significant increases in completions in recent years with the completion rate rising from 48% in 2005–06 to 64% in 2007–08.

We have confidence in Ofsted’s capability to inspect apprenticeship training and consider that the quality assurance arrangements in the FE sector should continue to apply to apprenticeships. The annual report from HMCI shows an improving trend in the quality of provision. Therefore, we would not envisage imposing additional inspection on providers delivering apprenticeship training.
**Recommendation 24**

We conclude that a draft specification of apprenticeship standards should have been supplied with the draft Bill. Its absence has impeded our scrutiny and prevented interested parties from examining the full impact of the likely use of the provisions in the draft Bill. We recommend that a detailed draft specification be produced and published as a matter of urgency and well before Second Reading of the Bill. In our view the specification of apprenticeship standards has to ensure that the quality of apprenticeships is maintained by ensuring, for example, a minimum period of good quality off-the-job training is specified in each apprenticeship framework. In addition, the Government needs to explain how conflicts—between Sector Skills Councils and employers or between the National Apprenticeship Service and Sector Skills Councils—will be resolved. (Paragraph 78)

**Response**

We agree with the Committee’s recommendation and will undertake jointly with the LSC a public consultation on the draft Specification of Apprenticeship Standards for England (SASE) which will be published and commence in time for Second Reading of the ASCL Bill. The draft SASE will propose a minimum period of off-workstation time on which we will consult. SSCs will have responsibility for issuing frameworks and for working with employers in their sectors to ensure that frameworks meet the requirements of the SASE. The Bill provides for the Secretary of State to give directions to the framework issuing authority in exercising functions; and, in which case the issuing authority must comply with those directions and have regard to guidance issued by the Secretary of State.

**Recommendation 25**

We recommend that the provision in the draft Bill on consultation on the specification of apprenticeship standards should be amended to require employers and training providers to be consulted. (Paragraph 79)

**Response**

The ASCL Bill requires the Chief Executive to consult with appropriate persons on any draft after the first draft of the SASE. It is intended that there will be a full public consultation on the draft SASE to coincide with the Committee Stage of the Bill.

**Recommendation 26**

The award of UCAS points for completion of advanced apprenticeships would enhance the quality of apprenticeships and make apprenticeships more attractive to those entering the job market or seeking to change career. We conclude that establishing that all advanced apprenticeships automatically attract UCAS points sufficient for entry into some higher education for some courses that are cognate to the apprenticeship would be a powerful demonstration of the quality, consistency and currency of the programme. (Paragraph 82)
Response

We will be seeking, as part of the SASE consultation, views as to whether all Advanced Apprenticeships (Level 3) and High Apprenticeships (Level 4) should, without exception, be required to contain agreed UCAS tariff points for the framework. In line with the commitment in *World-class Apprenticeships*, we will have a requirement in the SASE that all frameworks must explicitly articulate clear progression routes. This will enable learners to understand the options that are available to them should they wish to progress further in their chosen sector, be that into higher education or within the industry itself.

Recommendation 27

We believe that it is essential that all advanced apprenticeships should carry sufficient UCAS points for entry to higher education and that this will provide the leverage necessary to facilitate and encourage progression to higher education. (Paragraph 84)

Response

SSCs and Standard Setting Bodies (SSBs) will work with employers to develop Level 3 and Level 4 frameworks, in line with the SASE, for their sectors. UCAS will determine what tariff points each framework can be awarded. Where there is no clear evidence of direct progression, which may mean that the framework content does not attract what some higher institutions may deem as appropriate UCAS points, the SSC/SSB will be required to outline what additional learning will need to be undertaken in order to support progression into HE for learners following the Advanced Apprenticeship.

Recommendation 28

It is unclear what the right given at clause 21 of the draft Bill to all suitably qualified young people to an apprenticeship will mean in practice. We recommend that the Government make a statement setting out its intention when the Bill comes before the House. (Paragraph 88)

We will publish a statement setting out how the scheme will operate in practice at the Committee stage of the Bill.

Recommendation 29

We recommend that in responding to this Report the Government explain in detail, and with examples, the circumstances in which it would suspend the right to an apprenticeship at clause 21. (Paragraph 89)

Response

The Government has set out a commitment to developing apprenticeships as a high quality, mainstream career path for young people and adults. Apprenticeships are critical to its strategy for raising participation in education and training of all young people to age 18 by 2015. Therefore the power to suspend the scheme in a particular apprenticeship sector or at a level in a particular apprenticeship sector for up to 2 years would only be used in very exceptional circumstances. We would not want to speculate at a detailed level to
avoid the possibility of negative impact on a particular apprenticeship sector. However, one possible instance where the clause could be used would be where the economic difficulties, or other circumstances, are so severe that the commitment to the scheme cannot be fulfilled for a particular sector.

**Recommendation 30**
If the “right” to an apprenticeship is defined and made meaningful, the Government should provide it to those aged 19 and over. (Paragraph 90)

**Response**
As outlined in our response to Recommendation 29, the entitlement to an apprenticeship place for suitably qualified young people is designed to ensure that there are sufficient places available for those young people who want to fulfil the duty to participate in education and training, under the Education and Skills Act (2008), through an apprenticeship.

We recognise that apprenticeships for adults have been very popular and we remain committed to maintain funding for those aged 19 and over. However we have no plans to extend the entitlement to adults and are concerned that to do so would compromise our ability to meet the needs of young people. We have however, increased funding for adult apprentices in response to rising demand and in 2007–08 (the last full year for which data are available) over 90,000 19–24 year olds started an apprenticeship—up 15% on the previous year.

**Recommendation 31**
We conclude the academic qualifications required for the statutory right to apprenticeships at clause 21 are too rigid and recommend that the Government relax them. We recommend that the Government explore the option of using a portfolio of evidence, rather than formal academic qualifications alone. (Paragraph 94)

**Response**
We need a threshold for the operation of the apprenticeship scheme. For a Level 2 apprenticeship, the requirement is for 5 GCSEs at A*-G—or equivalent. In order to satisfy the apprenticeship scheme requirement, we expect young people to have demonstrated that they have met minimum levels of achievement in line with our expectations that more young people participate in learning to achieve good levels of skills and progress further. Setting out the threshold in terms of achievements in Diplomas, GCSEs and Functional Skills is in line with our 14–19 reform ambitions.

For young people looking to progress to Apprenticeships they will have the choice of different learning pathways; the Foundation Learning Tier, GCSEs and A levels and Diplomas, each offering choice to suit the achievements, learning style and interests of the learner. Many young people will be progressing to Apprenticeships from Diplomas. Diplomas are new qualifications, the first 5 lines have been taught from September 2008, providing a wider curriculum choice based on applied learning in a work related context.
They will provide young people with the skills and knowledge for progression to further learning, including apprenticeships, meeting the Apprenticeship entitlement threshold. There will be 17 Diploma lines, the first 14 of which are focused on economic sectors, which will provide young people with a motivating context. Diplomas are flexible qualifications offering choices to young people including providing opportunities for learning related to Apprenticeship progression.

**Recommendation 32**

We recommend that before finalising the entry requirements the Government review the effect of such requirements on groups which traditionally have not been well-represented among apprentices. (Paragraph 95)

**Response**

The requirements for satisfying the apprenticeship scheme are not the same as those which may be set by framework issuing authorities in respect of specific apprenticeship frameworks. Those people and organisations developing frameworks will be required to indicate where there are minimum entry requirements for a particular framework or sector.

We are committed to increasing participation of under-represented groups in apprenticeships but it must be right for framework issuing authorities to be the judge of whether there are minimum standards for entry for a specific framework within their sector. We will look again, however, at what more might be done through programme led pathways to support learners to gain the minimum entry qualification which may be necessary. The LSC have commissioned further research to understand more fully the barriers faced by those people and groups which are not well represented among apprentices. This will enable the National Apprenticeship Service to address those barriers and target specific support and encouragement where it is needed.

**Recommendation 33**

We conclude that a provision to enshrine an obligation to attempt to find an alternative placement on an employer, who does not wish to continue to provide an apprenticeship, could go against the grain of the Government’s policy to encourage employers to offer more apprenticeships. We recommend, however, that where an apprenticeship, to which the provisions at clause 21 applied, is terminated because of redundancy as defined at section 139 of the Employment Rights Act 1996 or because of insolvency, the former apprentice’s right to an apprenticeship, and concomitant duty on the National Apprenticeship Service, be reinstated even if he or she has attained the age of 19. (Paragraph 98)

**Response**

As outlined in our response to Recommendations 29 and 30, the apprenticeship scheme has been introduced to ensure that there apprenticeship places to enable young people to fulfil their raising of the participation age duties. It would not be appropriate to extend the entitlement to those over 19.
In the specific circumstances the Committee outlines we would expect both the NAS and the training provider to make strenuous efforts to find a new employer so that the individual can complete their apprenticeship. We have recently introduced new flexibilities to the programme that will make it easier for providers and the NAS to support apprentices in full-time education whilst this process is happening.

**Recommendation 34**

We recommend that the Government insert a provision into the finalised legislation requiring the National Apprenticeship Service to establish a mediation service for apprentices dissatisfied with the quality of the training they are receiving.  (Paragraph 101)

**Response**

We agree with the spirit of this recommendation but since this is an operational issue and may also have contractual implications with providers we should not place a requirement on the Chief Executive of Skills Funding (and thereby the Chief Executive of the NAS) in the Bill to cover such scenarios. The NAS will have a formal complaints procedure (as the LSC has now) to handle complaints from apprentices, including those dissatisfied with the quality of training. Providers are also required to have published procedures for complaints handling and this should outline a process for which a learner can make a complaint, have it investigated, reviewed and resolved.

**Recommendation 35**

The legislation is justified because it will strengthen the structure for apprenticeships in England. But it needs additional measures, particularly those to guarantee quality of training and to allow apprentices to progress in their chosen professions. As the legislation builds on existing structures we expect that it is workable. Whether it will deliver the Government’s targets and a renaissance in apprenticeships depends on the detail of the system and on whether employers, which the legislation places in the driving seat, make full use of the provisions and the other measures to promote apprenticeships. We cannot wait until 2020 to discover whether the legislation is working. The Government will need to review the legislation by 2014. If insufficient employers are establishing apprenticeships the Government will have to consider stronger measures to change behaviour. (Paragraph 102)

**Response**

The NAS will be responsible for continuous monitoring of progress of both employer and learner take up of Apprenticeships and the effectiveness of the Specification of Apprenticeship Standards for England. Milestones will be incorporated within the National Apprenticeships Delivery plan and progress will be monitored as part of the lead Departments’ programme management arrangements. Evaluation will be conducted as part of the overall impact assessment of the National Apprenticeship Service in 2013 and 2015.
### List of Reports from the Committee during the current Parliament

The reference number of the Government’s response to each Report is printed in brackets after the HC printing number.

#### Session 2008–09

| First Report | Re-skilling for recovery: After Leitch, implementing skills and training policies | HC 48-I |
| Second Report | The work of the Committee in 2007-08 | HC 49 |
| Third Report | DIUS’s Departmental Report 2008 | HC 51-I |

#### Session 2007–08

| First Report | UK Centre for Medical Research and Innovation | HC 185 (HC 459) |
| Second Report | The work and operation of the Copyright Tribunal | HC 245 (HC 637) |
| Third Report | Withdrawal of funding for equivalent or lower level qualifications (ELQs) | HC 187–I (HC 638) |
| Fourth Report | Science Budget Allocations | HC 215 (HC 639) |
| Fifth Report | Renewable electricity-generation technologies | HC 216–I (HC 1063) |
| Sixth Report | Biosecurity in UK research laboratories | HC 360–I (HC 1111) |
| Seventh Report | Pre-legislative Scrutiny of the Draft Apprenticeships Bill | HC 1062-I |
| First Special Report | The Funding of Science and Discovery Centres: Government Response to the Eleventh Report from the Science and Technology Committee, Session 2006–07 | HC 214 |
| Second Special Report | The Last Report: Government Response to the Thirteenth Report from the Science and Technology Committee, Session 2006–07 | HC 244 |
| Fourth Special Report | Investigating the Oceans: Government Response to the Science and Technology Committee’s Tenth Report of Session 2006–07 | HC 506 [incorporating HC 469–i] |