

THE REVIEW OF APPRENTICESHIPS IN NORTHERN IRELAND – A SUMMARY OF EVIDENCE FROM STAKEHOLDER EVENTS AND THE CALL FOR SUBMISSIONS

Introduction

A call for submissions relating to the review of apprenticeships was launched on the 4th September 2013. The purpose of this call was to further build the evidence base underpinning the Apprenticeship Review and to seek the views of key stakeholders on the best way forward.

The call for submissions ran for 4 weeks from the 4th of September 2013 to the 2nd October 2013. In total 45 responses were received and a full list of respondents is attached in **Annex A**.

To augment this formal call for submissions the Department for Employment and Learning (DEL) also hosted a number of stakeholder events which were designed to engage directly with key shareholders and to further articulate their thoughts on the proposed way forward for the apprenticeship model and brand. A full list of the stakeholder events and the types of organisations that participated are included at **Annex B**.

This report provides an overview of the responses received from both the call for submissions and the key stakeholder events. It highlights the main issues raised to the questions asked during this evidence gathering process.

The Department wishes to thank all respondents that contributed to this important aspect of the review. The high level of engagement demonstrates the very strong interest that stakeholders have had in the review and in contributing to the direction of an enhanced apprenticeship model for Northern Ireland.

The call for submissions was based upon four separate questions as follows:

1. How can the apprenticeship model better match the needs of Northern Ireland businesses and the economy?

2. How can we encourage individuals, particularly young people, to choose an apprenticeship, as a viable alternative pathway to learning and career progression?
3. How can government best encourage and support businesses in order to create and maintain apprenticeship opportunities?
4. What other factors should be considered to deliver an effective apprenticeship model?

The following sections summarise the main themes that emerged from the call from submissions and the stakeholder engagement events. It sets those themes out against each of the four questions that were posed.

Question 1. How can the apprenticeship model better match the needs of Northern Ireland business and the economy?

It is recognised within the Northern Ireland Economic Strategy that the local economy needs to become much more export driven and to focus more on higher value goods and services. However, if this vision of a more prosperous society is to be realised, it needs to be supported by strong skills development particularly in the areas that will support current and future growth. This review seeks to ensure that future apprenticeship provision is aligned with the economic priorities contained in the Northern Ireland Economic Strategy and the Executive's Programme for Government.

Overview of comments

The responses to the call for submissions highlight a number of key areas of consensus relating to how the apprenticeship model can better match the needs of businesses and the Northern Ireland economy. These include:

- taking account of a wide range of sectors for apprenticeship programmes;
- a more employer demand driven apprenticeship model;

- an apprenticeship model that is more accessible to firms, especially SMEs; and
- a model which provides high quality training and worthwhile qualifications.

The section below provides a detailed look at what key issues were raised in the call for submission process.

The majority of the responses highlighted the need for the apprenticeship model to meet the broad needs of business and the wider economy. There was a strong consensus that the model will need to offer a broader range of programmes across a wide range of subject areas and sectors. There was a recurring theme that accurate labour market Information (LMI) should be used in order to determine the demand for skills and subsequent translation into supply of skills. There was also a wide range of responses that highlighted the need to extend the programme to individuals over the age of 25. The fear across the responses was that by restricting it to younger people it will limit employer participation in apprenticeship schemes which could ultimately limit our economic recovery in the long term.

It was suggested that while there are a wide range of apprenticeships offered across STEM subjects there is a lack of apprenticeship opportunities available in other areas. There were a number of respondents which suggested that apprenticeships currently falling under the STEM footprint should be removed from the current 'ApprenticeshipNI' initiative and set out as a separate initiative. It has also been suggested that there needs to be a direct link between the priority skills needed in the economy and the number of apprenticeships available. Closely linked to this was the view that the key apprenticeship skills need to be firmly aligned to the growth sectors of the economy and that some of these areas are not currently reflected adequately in the existing apprenticeship framework.

There was a strong consensus view that the apprenticeship model in Northern Ireland needs to be more employer demand led. There is a concern that SMEs and the public sector are less pro-active in undertaking employer led apprenticeships and there is a worry that this could create potential problems given the structure of our economy with the dominance of these two types of employer. It has been suggested that policy action should be prioritised to address this potential issue. It is also noted that employers' perceptions of the apprenticeship scheme need to change. It was felt

that, at present, too many employers do not see the merits of being part of the scheme and view it as being too costly. By providing information to firms describing the benefits of apprenticeships and, where necessary, offering additional financial support, the attitudes of employers may change. There was a clear call for there to be an apprenticeship strategy for Northern Ireland which helps deal with the negative attitudes and publicity in relation to apprenticeships.

The lack of financial support offered to employers was highlighted in detail across the responses and it was articulated as a primary reason for the lack of interest in firms utilising apprenticeship schemes. There were calls for Government to offer more financial support to firms, especially at the initial training stage of the apprenticeship process. It is argued that improved financial incentives along with enhanced information regarding the benefits of apprenticeships will boost employers' confidence to undertake apprenticeship schemes.

Another reason highlighted for employers' reluctance to recruit new apprentices related to the cost of increased insurance and the extent of the contribution the young person will make in the early stages of training. It has also been suggested by some respondents that other Government programmes such as the YES programme and First Start have made apprenticeships a less attractive option in the short-run.

It is clearly evident from the consultation process that the apprentice model needs simplification from both the employer and apprentice viewpoint. There was a common view that employers are faced with a number of organisational, technical and financial constraints. These were identified as a particular concern to SMEs.

Other respondents noted that a more flexible apprentice model with core modules and additional skills could be provided. This, it was argued, would be more attractive to businesses as it would allow them to respond effectively to the changing needs of business. A more flexible model would be seen as more relevant to local industry as it would be more responsive to their skill needs.

A common element of feedback was the need for greater collaboration between government departments and key stakeholders. This included the:

- Department of Education (DE) - relating to the essential qualifications expected for school leavers;
- Department of Enterprise, Trade and Investment (DETI) in terms of inward investment;
- Office of First Minister and Deputy First Minister (OFMDFM) in relation to the United Youth Programme; and
- greater integration with schools to develop careers advice which will be beneficial to potential apprentices.

It was felt by some that apprentices should be provided with greater financial reward during their training. There was concern that some apprentices find it difficult to make ends meet and can often feel that they have to leave training to seek full time employment to secure greater short term earning prospects.

There was wide consensus that the apprenticeship model needs to be seen as an equal alternative to Higher and Further education. It was felt that apprenticeships are not currently viewed as being attractive or enticing to young people (and their parents) and instead are viewed more as a weak alternative to employment. It was further suggested that progression to higher level qualifications within the programme could enhance the perception of the apprentice process. The apprenticeship model could be amended to commence at Level 3 with progression to level 4, 5 and beyond. This, respondents considered, would both help address the productivity gap and provide parity of esteem for apprentices with HE graduates.

Overall the general consensus from respondents showed that a broader apprenticeship model, based on a wide range of areas, which was open to all age groups and had financial assistance available to firms, especially SMEs, would better match the needs of Northern Ireland businesses and the economy.

Question 2. How can we encourage individuals, particularly young people, to choose an apprenticeship, as a viable alternative pathway to learning and career progression?

The Department's Skills Strategy points out that Northern Ireland's economy will increasingly need a workforce with higher qualifications and skills if it is to prosper. Apprenticeship provision will play a central role in supporting such a transition. This

review seeks to identify ways to enhance parity and transferability between apprenticeship and other vocational, professional and academic pathways.

Overview of comments

Across the responses to the call for submissions there were a number of areas of consensus relating to how individuals can be encouraged to choose an apprenticeship. These included:

- better and increased advertising;
- simplification and more flexibility with apprenticeship programmes;
- more promotion of apprenticeships in schools by employers; and
- improving the use of financial assistance to attract both employers and employees.

The section below provides a detailed look at what key issues were raised in the call for submission process.

The responses to the call for submissions clearly highlighted that apprenticeship programmes need to be better defined and communicated. There is a need to raise the profile of apprenticeships, similar to the way other European countries have done so. This, it was suggested, could be achieved through a re-branding of the apprentice model, moving away from traditional sectors so that growth areas, such as digital and media are better represented. This is viewed as a key priority in helping to recruit young people into apprenticeship schemes.

It was felt that another way apprenticeships can be promoted is through more effective careers advice, especially at an early stage. Target audiences for this should include pupils, teachers, parents, employers and learning providers.

It was argued that post primary schools need to promote actively the role of apprenticeships, ensuring that those pupils most suitable for a vocational career path are signposted in that direction. There was widespread concern that apprenticeships are not promoted adequately in schools and are viewed as a step down from 'A levels' and University. There was a consensus that there needs to be greater

promotion of apprenticeship programmes in schools (by both government and business) in order to encourage young people to undertake them. A number of respondents suggested that including new higher level apprenticeship frameworks at levels 4, 5 and 6, with clear entry points based on prior qualifications and experience, would offer a clear alternative to the A level and the full time university route.

There was also a wide range of support amongst respondents for programmes to be set up that are aimed at parents in order to make them aware of the career options that are available, as well as the benefits and rewards of apprenticeships. This was viewed as a key stepping stone in helping encourage young people to enter apprenticeship schemes.

It was felt that employers also have a vital role to play in encouraging young people to choose an apprenticeship. Employers need to be more active in the apprenticeship schemes in terms of making apprenticeships more attractive to individuals by highlighting the benefits clearly..

Financial incentives being made to firms and young people were identified as key to encouraging participation. This was considered to be of particular importance to SMEs given that they account for the vast majority of all Northern Ireland businesses. The costs for firms undertaking apprenticeships were identified by respondents as acting as a factor in why firms, particularly SMEs, do not engage in apprenticeship schemes. It has been suggested that financial assistance to firms through tax breaks, subsidies or additional training cost provision could help boost employers' participation.

It was proposed that utilising examples of career progression could be a further way in which Government and business could encourage people to choose an apprenticeship. Showcasing apprenticeship success stories by sharing the experiences of people who started as apprentices and progressed to senior roles in organisations or have set up their own business could help raise the esteem of apprenticeships across all walks of society. Young people need to recognise that there is a sustainable pathway for progression. The development of apprenticeships up to at least Level 7 will be necessary for this, as well as meeting employer demand

and needs. It is important that apprenticeships represent real opportunities for the employment and career progression of young people.

Labour market intelligence (LMI) was noted as having a vital role to play. By being able to view the anticipated labour requirements for occupations would provide a clear indication of the likelihood of employment for a prospective apprentice.

It was suggested that enhanced financial support for apprentices would encourage greater enrolment in training programmes. It was a concern to many respondents that young people can find it hard to cope financially while on an apprentice scheme and instead they may try to find alternative full time employment. Apprentices, it was noted, need to be more clearly informed of the funding available to them when they engage in training, both during and after the apprenticeship. Ensuring that jobs are available at the end of an apprenticeship period was also considered to be beneficial, as there is concern that individuals become de-motivated when they complete an apprenticeship only to find there will be no employment at the end of it. This in turn may put others off.

An important issue raised was around barriers to entry, particularly those related to funding, age, qualifications and hours worked. Many respondents encouraged the Government to seek to remove these barriers so more employers would be willing to undertake apprenticeship schemes.

Another suggestion to encourage the uptake of young people within the apprenticeship programme was to develop an effective marketing strategy that is reflective of the current use of social media and technology. A number of respondents highlighted that the 'ApprenticeshipNI' website could be updated and information highlighted in a more appropriate manner for young people. This marketing approach could include road-shows, promoting the benefits of apprenticeships at schools and the use of role models giving lectures on how they benefited from apprenticeship schemes.

It was also recommended that some emphasis be placed on a pre-apprenticeship programme for the younger learners and those potentially at risk of falling into the NEET category. A pre-apprentice programme would focus on providing young people with the skills and confidence to be employable. This could be developed

alongside a wider technical and vocational education model. Clear routes into vocational education must be combined with effective career guidance and advice. It was noted that this could help reduce youth unemployment, as is shown across other European countries, especially Germany and Netherlands, which have placed a high emphasis on vocational education. A ladder of framework progression should be evident to each young person so they appreciate the effects vocational based learning can have on their careers. Also by redefining all apprenticeship training programmes as being Level 3 programmes or above, it will send a clear signal to employers and potential trainees about the value of apprentices.

It was shown in the responses that a more simplistic apprenticeship model that is promoted more effectively across schools and by employers, as well as highlighting the success stories and benefits of undertaking apprenticeships will encourage individuals, particularly young people, to choose an apprenticeship as a viable alternative pathway to learning and career progression.

Question 3. How can the Government best encourage and support businesses in order to create and maintain apprenticeship opportunities?

Evidence suggests that strong employer engagement with apprenticeship provision at every level is a key success factor. This review seeks to examine how businesses in Northern Ireland can be placed at the heart of the apprenticeship model.

Overview of Comments

Across the responses to the call for submissions there were a number of key common themes that emerged relating to how Government can best encourage and support businesses in order to create and develop a successful apprenticeship programme. Again, many of these themes are consistent with the answers given to earlier questions and they included:

- highlighting more actively the benefits of undergoing an apprenticeship;
- providing realistic funding and incentives to encourage increased uptake of apprenticeship numbers;
- better advertising of programmes and pathways;

- simplifying the range of programmes and providing more flexibility in relation to apprenticeship programmes; and
- encouraging and supporting the creation of higher level apprenticeships.

The section below provides a detailed look at what key issues were raised in the call for submission process against this question.

There was a consensus across respondents that Government needs to sell better the long term positive economic impacts of apprenticeships to employers and highlight the specific business benefits they will derive from participation. It was also felt that it is important for Government to highlight the public good generated by a company engaging in apprenticeships and the positive impact on the community. This was also reflected by young people who took part in the stakeholder engagement forums, where many felt that employers were unwilling to give young people a job – instead preferring experienced hires. Government should ensure that employers see apprenticeships as a valid means of entering work and that this should go hand in hand with raising the profile of apprenticeships as a key pathway for skills progression. It is important that Government widens the appeal of the apprentice programme, so that apprenticeships are offered across a wide range of sectors, including growth sectors such as digital media.

In order to encourage and support businesses to engage and maintain apprentice opportunities, it has been highlighted that Government needs to provide realistic funding, incentives and flexibility regarding entry requirements and hours of work. This is of particular relevance to SMEs who find that costs act as a major barrier to participating in apprentice programmes. It was argued that SMEs do not have the resources or the capacity to absorb apprentices and the Government should explore ways to help them benefit from undertaking apprenticeship programmes.

It was suggested that the introduction of tax breaks for businesses, especially micro businesses, would help to encourage employers to take on apprentices. However it is noted that these should be set so they act as an encouragement to those employers already thinking about taking on an apprentice, rather than being a tax saving mechanism for firms.

Incentive grants were also highlighted across a number of responses as a positive tool which could be used to encourage participation from employers in apprenticeship schemes. Some respondents noted that the current system of payments is not sufficiently effective or efficient and this could act as a deterrent to firms participating in greater numbers. There was also a broad consensus that businesses should be rewarded for running higher level apprenticeship learning modules, as well as for those companies that engage with FE/HE and engage with local employers.

Take up and completion rates could be further improved by funding employers to offer pre-employment or pre-apprenticeship training. It was anticipated that this will ensure young people gather the skills and experience required to enter a business as a full apprentice. It was also noted that many employers would like the Government to pay for the training costs of all apprentices, as opposed to the current situation where the Government pays for the training costs of those under 25 but only 50% of those over 25.

The responses also highlighted the need for enhanced communication to employers in terms of what programmes are available to them. It was noted that some firms are confused about what programmes are available and this acts as a possible reason for not engaging in apprenticeship programmes. It was felt by some that the system could be simplified further to boost employers' interest. This was further supported by respondents appealing for better promotional material being made available in order to promote the benefits of apprenticeships.

It was cited that one of the principal factors preventing employers taking on apprentices for the first time is the additional bureaucracy that is created. The administration involved in registering and certifying apprentices is a significant time commitment and represents a burden on SMEs particularly. It was felt that the simplification of this approach alongside financial incentives for the SMEs should boost interest in undertaking apprenticeships.

The creation of higher level apprenticeships from level 4 and above was an issue consistently raised by employers. A number of respondents indicated that the greater the availability of these higher level apprenticeships, the greater would be the uptake

by firms undertaking the schemes. This, along with the availability of the scheme to all age groups, would help encourage businesses to participate.

A number of responses highlighted the opportunity to create an industry wide shared apprentice scheme which would enable employers to share an apprentice throughout the duration of their placement. This, it was felt, could help provide the apprentice with wider exposure to a wider skills set thus improving their experience and subsequent job prospects.

A common response was around the creation of employer led provision. This could include giving employers the purchasing power and incentives to drive quality and value. There was an expressed desire to increase the involvement of employers in the design and delivery of apprenticeships.

Building on what was said above, there was some support for Apprenticeship Training Agencies (ATAs) or Group Training Agencies (GTAs) to be encouraged to operate in Northern Ireland as an innovative way of encouraging small businesses to take on apprentices.

Overall it is clear that businesses would like to see greater flexibility in design frameworks and would be keen to receive more information on apprenticeships and how to get involved in programmes. There was also a strong view that simplification of the funding streams should be taken forward as a priority. It has been highlighted that SMEs are the biggest untapped market for apprenticeship provision in Northern Ireland and it has been suggested that additional Government support should be provided to alleviate the barriers facing SMEs.

Question 4. What other factors should be considered to deliver an effective apprenticeship model?

Overview of comments

The majority of responses suggested that the current system could be simplified. The biggest concern across the respondents seemed to be perceived complexity around what apprenticeship programmes are available, the degree of funding available and the degree of bureaucracy involved for employers. It was also noted

that apprenticeship frameworks should be relevant to Northern Ireland business and industry.

It was noted that apprenticeships will only gain strong acceptance if young people see them as a route into jobs that have good earning potential. It was felt that the benefits of the apprenticeship model need to be highlighted in more detail in schools, and this clearly is a role for the careers service, teachers and employers to undertake. It was also noted that an effective apprenticeship media campaign needs to be in place, which targets key social media outlets, in order to capture the young target audience.

It was felt that employers have a role in ensuring that they can both identify and articulate their demand for skills. Furthermore training providers have a duty to ensure that they both maintain the capacity and willingness to tailor programmes to their employers' needs.

It was highlighted in a number of responses that there is a need to establish a specific technical/vocational education and training model that sits alongside an appropriate academic model. Apprenticeships at levels 2 and 3 should be delivered solely through colleges of Further Education as part of a wider technical/vocational model. It was also suggested that apprenticeships should no longer be funded through competitive contracting arrangements but should be a core element of college activity funded through direct grant assistance from DEL.

It was noted by some respondents that Government should redefine all apprenticeship training programmes as level 3 programmes with a minimum three year duration. It was anticipated that this would help send a signal to employers about the value and nature of the apprentice scheme. Colleges should then lead on the development of higher level apprenticeships at levels 4-6 in conjunction with the relevant sector bodies.

It was recognised that tackling youth unemployment is a significant challenge for NI and the rest of the UK and, for many young people, an apprenticeship is the first step into the world of work. However, while it is clear that youth unemployment is a wider problem for the UK labour market, it was noted across some respondents that age-related funding for apprenticeships is not the right mechanism to tackle this.

It was highlighted that there needs to be a further review looking at the best practice in countries such as Switzerland, Germany and Scandinavia, which all have strong apprenticeship programmes. The strengths and success stories of these programmes should be highlighted and put in place in Northern Ireland where relevant.

Also noted in the responses is a perceived lack of engagement from the public sector apprenticeships.

Some concerns were raised about a possible proliferation of the ApprenticeshipsNI model. There was some concern over who would be the gatekeeper of the ApprenticeshipsNI programme to ensure that standards and quality are maintained.

Conclusion

The call for submissions has yielded a diverse range of information and views which are feeding the apprenticeship review process in Northern Ireland.

It is clear from the responses that there is a clear desire to have an apprenticeship programme available in Northern Ireland that has clearly identified benefits for both the employer and the apprentice. These benefits will need to be sold clearly and convincingly at an early stage, with career teachers, employers, employees (including role models) and parents all playing a vital role. This can also be achieved through the creation of an employer led and funding driven provision, including giving employers the purchasing power and incentives to drive quality and value. A shared desire has been articulated to increase the involvement of employers in the design and delivery of apprenticeships.

The introduction of incentives, especially for SMEs, is highlighted across the majority of responses when asked about how to increase participation of employers in apprenticeship schemes. This along with the development of a wider technical and vocational education model is generally viewed as a key mechanism in helping to promote employers to engage on apprenticeship schemes.

A number of other key points were raised across the responses varying from redefining the apprenticeship training programmes, promoting the apprenticeship

programmes through social media, providing additional apprenticeship roles outside STEM subjects and opening up apprenticeships further to all age groups. The desire to see the creation of higher level apprenticeships from level 4 and above was consistently raised by employers. It was felt that this would help ensure progression of skills development in economically relevant areas and help deliver parity of esteem between the apprenticeship route and the academic route

Annex A

List of Responses to the call for submissions

South Eastern Regional College	The JSSC Group
Creative & Cultural Skills	NIACRO
Northern Ireland Sector Skills Council Network	Institute of the Motor Industry
Plumbing & Mechanical Services Training (NI) Ltd	Building & Engineering Services Association
People 1 st	Colleges Northern Ireland
Skills Belfast	Opportunity Youth
Belfast Metropolitan College	CITB- Construction Skills NI
Engineering Training Services	CBI
Parity Plc	North West Regional College
A4e Ltd	Northern Ireland Chamber of Commerce
NUS-USI	Nuprint Technologies
Phoenix Energy Services	Construction Employers Federation
Babcock training Ltd	Asda
Chartered institute of Marketing Ireland	Chartered Insurance Institute
Springvale Employment and Learning Services	Northern Regional College
The Princes Trust	Workforce Training Services Limited
Energy and Utility Skills	Scottish & NI Plumbing Employers Federation
SummitSkills	Derry Youth & Community Workshop
OCR	Skills for justice
Praxis Care	Irish Congress of Trade Unions
Accounting Technicians	The Association of Teachers and Lecturers
Chartered Accountants Ireland	Southern Regional College
City and Guilds	

Annex B

Key Stakeholder Consultations

Event 1 - Employers - Belfast - 4 September 2013

Event 2 - Young People - Belfast - 4 September 2013 .

Event 3 - Employers - Cookstown - 5 September 2013 .

Event 4 - Training Suppliers - Belfast - 10 September 2013.

Event 5 - Young People in schools – September – November 2013