



Department  
for Education

# **Draft Strategic Guidance to the Institute for Apprenticeships**

**Government consultation**

**Launch date 4 January 2017**

**Respond by 31 January 2017**

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## Introduction

The Government has set out a programme of reform to raise the quality and quantity of apprenticeships. To underpin these reforms, the Institute for Apprenticeships will be established as an independent body to act as the guarantor of the integrity of the apprenticeships system, with a mandate to assure quality and provide objective advice on future funding for apprenticeship training.

The Secretary of State can issue advice and guidance to the Institute. We propose to publish an annual 'strategic guidance' document which will outline the policy parameters within which the Institute should operate and exercise its functions. This document is a draft of the first guidance for 2017/18, and we would welcome feedback before it is finalised for the launch of the Institute in April 2017.

## Who this is for

Organisations or individuals with an interest in Apprenticeships, and the quality of apprenticeships specifically.

## Issue date

The consultation was issued on 4th January 2017.

## Enquiries

If your enquiry is related to the policy content of the consultation you can email the team on: [IFA@bis.gsi.gov.uk](mailto:IFA@bis.gsi.gov.uk)

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the DfE Ministerial and Public Communications Division by email: [Consultations.Coordinator@education.gsi.gov.uk](mailto:Consultations.Coordinator@education.gsi.gov.uk) or by telephone: 0370 000 2288 or via the [DfE Contact us page](#).

## Additional copies

Additional copies are available electronically and can be downloaded from [GOV.UK DfE consultations](#).

## The response

Please send responses to the consultation to: [IFA@bis.gsi.gov.uk](mailto:IFA@bis.gsi.gov.uk)

## **Deadline**

The consultation closes on 31 January 2017.

# Draft Strategic Guidance for the Institute for Apprenticeships – 2017/18

## Government's Draft Strategic Guidance to the Institute for Apprenticeships

1. The Government has set out a long-term programme of reform to raise the quality and quantity of apprenticeships, giving employers more control over their content and assessment. To underpin these reforms, the Enterprise Act 2016 establishes the Institute as an independent body to support the integrity of the apprenticeships system, with a mandate to assure quality and to provide objective, independent advice to Government on future funding provision for apprenticeship training. We recognise that transitioning functions from the existing system to the Institute will be challenging but are clear that an independent organisation led by employers will deliver the best results.

## Introduction

2. Under the legislation which establishes the Institute, the Secretary of State is able to issue advice and guidance to it once a year. We propose to publish an annual 'strategic guidance' document which will outline the policy parameters within which the Institute should operate and exercise its functions. It is a 'statutory notice' which the Institute must have regard to and is given to the Institute for Apprenticeships by the Secretary of State under section ZA2(2) of the Apprenticeships, Skills, Children and Learning Act 2009, as amended by Schedule 4 of the Enterprise Act 2016. As per section ZA2(9) of the 2009 Act, a copy of this notice was laid before Parliament on [date]. It has been published on [e.g. Gov.uk].
3. The Institute is legally obliged to report on its activities once a year through its Annual Report, which must include a description of what it has done that year and how it has responded to the Strategic Guidance.

## Putting Employers at the Centre of Apprenticeship Quality

4. The Richard Review into apprenticeships and the subsequent reform programme has emphasised the importance of employers playing a major role in improving the quality of apprenticeships. The Secretary of State believes this remains essential to the success of the programme – ensuring that employers are able to shape the apprenticeships that their employees will undertake, which for many will be funded by the levy, to make sure that they are fully competent to do the job. She has ensured that the majority of the Institute's Board are employers, or representatives of employers, to help support this aim by bringing the right expertise to lead the

organisation. She also expects the Institute to consult employers as it continues to develop its functions, and ensure that it is accessible.

## Role of the Institute for Apprenticeships

5. The benefits of apprenticeships are well understood, but we will only realise these benefits if we can ensure high quality apprenticeships that work for employers and apprentices. The Institute for Apprenticeships has been established to help ensure the quality of reformed apprenticeships, alongside a number of organisations (for example, Ofqual and Ofsted). It will need to build strong working relationships with these key partners to ensure that their aims and approaches complement each other.
6. The Institute has a number of core functions set through legislation:
  - a. setting quality criteria for the development of apprenticeship standards and assessment plans
  - b. reviewing, approving or rejecting these
  - c. ensuring all end-point assessments are quality assured, including quality assuring some itself.
7. In addition, the Institute will advise on the maximum level of Government funding available for standards.

## The Strategic Guidance

### Operating within a broader context

8. The Institute will need to operate within a wider Apprenticeship and Government context. It will need to make sure that in doing its activities to deliver high quality apprenticeships also support achievement of the Government's aim to deliver three million apprenticeship starts by 2020.
9. Government has accepted all the recommendations made to it by the Independent Panel on Technical Education, and has set out how they will be achieved in the Post-16 Skills Plan. The recommendations include expanding the remit of the Institute beyond apprenticeships to include all 'technical' education too. Government has agreed that this change should be introduced from April 2018 as it offers a real opportunity to ensure technical education works for employers. The Institute should ensure that it is making preparations during 2017/18 to assume this additional role and transition to the framework of 15 technical education routes to skilled employment. We expect it to work with Government as it does this to ensure that its plans remain aligned with the work that Government is doing to ensure a smooth transition, and to ensure that collectively we build a single, fully integrated system of technical education. The Institute will also learn from its first years' experience.
10. Government has emphasised the importance of a new industrial strategy to support

and promote UK productivity. Ensuring the workforce and skills are in place to deliver against the strategy will be essential to its success. Apprenticeships will be an important part of this and we would expect the Institute to support employers to develop ambitious plans for good quality standards, not least in sectors where we have evidence of skills gaps and that are priorities for the industrial strategy. Supporting greater social mobility is also a clear Government priority. Apprenticeships can play a key role in helping to deliver this, through ensuring that people from all backgrounds are able to progress.

### **Wider Institute Role**

11. The Institute has certain core functions in law, as set out above, which position it as the lead organisation in ensuring apprenticeship quality. The Secretary of State therefore wishes it to play a broad role, promoting the core principles set out below and acting as a convenor of other organisations involved.

### **Core Principles**

12. There are a number of core principles that have driven the apprenticeship reforms which we would expect the Institute to continue to operate within. An apprenticeship:

- Is a job in a skilled occupation
- Is a recognised 'accreditation'
- Requires substantial and sustained training, lasting a minimum of 12 months and involving at least 20% off the job training (training which is outside of the normal day-to-day working environment)
- Develops transferable skills, and maths and English, to progress careers
- Leads to full competency and capability in an occupation, demonstrated by the achievement of an apprenticeship standard
- Trains the apprentice to the level required to apply for professional recognition where it exists.
- Is designed by employers to meet their needs and the needs of their businesses
- Is assessed through a single end point assessment

13. Specific principles for end point assessment have been developed, which we would also expect the institute to reflect:

- The assessment should give assurance that the apprentice possesses the knowledge, skills and behaviours to be fully competent in the occupation
- The assessment should include a minimum of two different assessment methods
- Assessment should be undertaken by an independent third party who has had not been involved in the training or line management of the apprentice, and who is on the register of Apprenticeship Assessment Organisations.

### **Carrying out its core functions**

14. In some areas the legislation does not include specifics about how functions should

be executed. This was intentional to give the Institute flexibility to decide itself how best to carry them out. However, there are some steers that the Secretary of State would like the Institute to have regard to, based on the core principles above and the importance of real employers maintaining a leading role. There is also an expectation that the Institute makes good use of evidence when carry out its functions.

## **Standards development and approval**

### *Preparation of apprenticeship standards and assessment plans*

15. The legislation states that the preparation of standards and plans should be carried out by a 'group of persons' but does not define this. Under the 'trailblazer' model, the 'group of persons' has been led primarily by employers, with input from others with relevant knowledge and experience, for example professional bodies, other sector experts, providers and assessment organisations. This model has proved hugely successful, with more than 140 new apprenticeship standards approved for delivery. We would expect to see this approach, including the principle of employers playing a leading role in standards development, continue. We ask the Institute to ensure as swift a process for approving standards as possible. As per the legislation, the Institute will then need to take on Government's current role of quality assurance of standards.

### *Examination by independent third parties*

16. The legislation requires the Institute to ensure that standards and assessment plans have been examined by 'an independent third party' before they can be approved, but does not define this. In deciding how to carry out this function, the Institute will need to ensure public confidence in the standards and plans it approves and wide credibility in the system as a whole. To do this, we would expect it to ensure the involvement of relevant employers.

### *Providing support for the development of standards*

17. Government has provided support to employers who are developing standards and assessment plans through a number of relationship managers, as well as workshops, written guidance and templates. To ensure that employers continue to get the advice and guidance they need to be able to develop standards and plans quickly we would expect the provision of similar, proactive support to be a priority for the Institute.

### *Planning for Technical Education*

18. We expect the institute to take into account the Department for Education's development of technical education routes to smooth the transition in April 2018 when the functions formally transfer to the Institute. This should include taking consideration of the occupational maps developed by DfE when approving new employer groups and the set-up of employer panels, ensuring there is no duplication.

## **Assessment**

### External quality assurance (EQA)

19. Four options for external quality assurance (EQA) (a process to check quality and consistency of assessments offered by different assessment organisations against the same standard) have been available to employer groups developing assessment plans. These are: 1) processes developed by employer groups, 2) a Professional Body, 3) Ofqual, 4) the Institute (if standards and plans will not need to be quality assured until after April 2017).
20. A method of EQA must be included in each assessment plan before it can be approved. Previously many employer groups have found it difficult to use one of the other three options so the Institute was added as an option which should be applicable to all to avoid assessment plans, and therefore starts, being held up. The Enterprise Act (2016) formally sets out powers for the Institute to undertake EQA of end-point assessment.
21. EQA is a direct lever that the Institute can use to exercise its primary function to help ensure the quality of the reformed apprenticeship system. It is up to the Institute to decide what form its EQA takes, but it is important that it offers an approach which is distinctive from the others available and therefore provides a viable option for employer groups whose needs have not been met by the existing options. We would expect the Institute to be named as the EQA organisation only in instances where alternatives are not viable.
22. The Institute should consider how best to ensure that effective and high-quality EQA processes are available and are applied to all end-point assessments. It will need to satisfy itself that all options will ensure consistent assessment and require a high standard from all apprentices. The Institute may wish to consider whether all of the currently available EQA options should continue; any changes it proposes should be accompanied by a clear explanation of the need for change.

### Certification

23. From January 2017 the SFA will be appointed by the Secretary of State to manage the operational delivery of certificates for standards, working with employers and assessment organisations. Until April 2017, Government has overall responsibility for certification and for ensuring the process is of good quality. After this point we expect the Institute to assist in this oversight role, setting the parameters for the SFA to operate within, designing the certificate and ensuring the overall integrity and quality of the system. We will write to the Institute separately on the specific tasks we would like it to carry out in relation to certification.

## **Funding**

24. The Secretary of State intends to request advice and assistance from the Institute on

apprenticeship funding. From April 2017 this will include advice on:

- ensuring that apprenticeships meet the skills needs of employers;
- allocating individual apprenticeship standards to funding bands, both for new standards and in the context of Technical Education route reviews;
- the current allocation of existing frameworks to funding bands and the effectiveness of additional support payments, such as those for younger apprentices; and
- how the allocation of apprenticeship standards to funding bands might be undertaken in the future.

25. In giving this advice we will ask the Institute to have regard to:

- affordability within the context of the overall budget for the apprenticeship programme in England;
- securing growth in apprenticeships towards the overall commitment to 3 million apprenticeship starts;
- improving the quality of apprenticeships and encouraging progression;
- improving the take up among disadvantaged groups and widening participation more generally; and
- Government's desire to encourage the transition from the use of frameworks to standards

## **Other functions**

### *Annual reporting and success criteria*

26. Each year the Institute will need to report to the Secretary of State on how it has carried out its core functions, and how it has had regard to the contents of the relevant strategic guidance. The Institute may find it helpful to set out a number of success criteria to help them measure their progress, and the progress of the system overall, which can be supported by data and evidence. As part of this reporting, we would welcome the Institute's judgment on the operation of the quality system and any recommendations for how it could function more effectively. The report should also explain how the Institute has ensured value for money with its spending.

### *Review of Apprenticeship standards*

27. All standards include a timeframe in which they must be reviewed to ensure they remain relevant and up to date. As part of the annual report the Institute will need to include details of the reviews that have taken place that year. While there is flexibility and it is up to Institute to decide how it carries out these reviews, we would expect them to be comprehensive, including details of completions, destinations and progression, wage uplift, and feedback from providers, apprentices, assessment organisations and employers in particular. We would also expect that they check how the standard fits with the latest version of the relevant occupational map. The Institute should also consider how well the system as a whole is delivering successful apprenticeships which respond to the skills needs outlined in the industrial strategy and wider Government priorities like social mobility.

28. The Secretary of State is aware of the need to ensure that the landscape of apprenticeship standards as a whole is, and remains, comprehensive, concise and coherent. We expect the Institute to take responsibility for achieving this, and that regular reviews to identify any gaps or duplication, as well as proactive work with employers to address these, will form an important part of this.

#### Quality oversight of the registers of training providers and assessment organisations

29. The Secretary of State has given the Institute responsibility for assisting with certain elements of the registers of training providers and assessment organisations. It is intended that the Institute will propose the key quality criteria for the Register of Apprenticeships Training Organisations. The SFA will maintain responsibility for administration and overall responsibility for the registers will remain with the Secretary of State. They have also been given the ability to require the Skills Funding Agency to investigate or take action in particular circumstances, under the oversight of the Secretary of State. The detail of this arrangement is set out in an MoU between the Secretary of State and the Institute. As now, the Secretary of State would retain overall responsibility for the actions of the Skills Funding Agency.

#### Working with key partners

30. There are many different organisations involved in assuring various different aspects of the quality of apprenticeships – including Ofsted, Ofqual, the Skills Funding Agency, HEFCE and QAA and, in future, the Office for Students. It is essential that all of these organisations work collaboratively towards the common goal of high quality apprenticeships and occupationally competent individuals. Their roles are largely set out in legislation or through mandate letters from the Secretary of State. Legislation which is currently in development will give the Institute data and information-sharing powers with Ofqual, Ofsted and the Office for Students.

31. While the Institute does not have an explicit statutory role which gives it any precedence over any of these partner organisations, we would expect it to assume a leadership role in the context of apprenticeships, given the functions that it does have. We recommend that it establishes a ‘Quality Partnership’ between all key organisations to ensure consistency of approach and objectives.

32. We would also expect it to work with the devolved administrations to ensure the needs of employers who work across borders are considered when standards are developed.

#### Engaging Apprentices

33. We want to ensure that Apprentices have an opportunity to have their say about the education and training they receive during their apprenticeships, and the chance to improve the experience of those who come after them. We strongly encourage the Institute to establish mechanisms for them to be able to do this, perhaps through an ‘Apprenticeship Panel’ which reports directly to the Institute Board, as well as more informal routes to all apprentices to feed in.

## **Overseeing a fair and open system**

34. There are some behaviours which a few organisations involved in the development and delivery of reformed apprenticeships have displayed which we have made efforts to discourage. These are largely around trying to generate income from offering certain services which are not a necessary part of the system, or trying to secure a particular role for themselves without fair competition (for example, sector organisations setting up their own ‘approved lists’ of apprenticeship assessment organisations for their sectors, and asking those organisations to pay to be on the list). This is entirely unnecessary as the Skills Funding Agency runs an approvals process for assessment organisations to be able to offer apprenticeship end-point assessments, and this is the only list these organisations need to be on. We would expect the Institute to continue – through the way in which it fulfils its statutory duties – to discourage behaviour seeking to make a profit by delivering services that are not necessary and do not add value, and work to ensure the system as a whole is fair and consistent with the principles of the reforms.

## **Consultation**

35. We would welcome comments on this first draft of the strategic guidance. Please send them to: [IFA@bis.gsi.gov.uk](mailto:IFA@bis.gsi.gov.uk) by 31 January 2017.

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