

MODERN

APPRENTICESHIPS

CONSULTATION DOCUMENT



Department for
Education and Employment

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INTRODUCTION

“Excellence in learning is the single best investment we can make. We have a clear goal that young people should remain in learning until 18 and beyond. We must make a step-change in learning achievement for all young people. Excellence must be the norm”.

David Blunkett, Secretary of State for Education and Employment.

- **By 2006 it is estimated that there will be over 9 million jobs at junior management, technician and craft level.**
- **The CBI estimate that at least 50% of the jobs in the economy already require level 3 or higher skills – a proportion which is continuing to rise.**

A major skills deficiency in the UK is the low number of people holding intermediate level vocational qualifications – 14% in the UK as compared, for example, with 46% in Germany. Productivity shows a corresponding gap, with the UK's level 23% lower than Germany's. In 1996 around 46% of 25 to 28 year olds lacked any further qualification post 16.

Modern Apprenticeships, launched in 1993 were 'designed by employers for employers' to help address the decline in numbers in work-based training at level 3 NVQ and above. They have successfully engaged many parts of the economy in apprenticeship training where none had existed before and reinvigorated older routes. As the National Skills Task Force argues, more needs to be done if we are to meet the challenges described above. Modern Apprenticeships play a crucial part in our drive to reach the National Learning Targets for 19 and 21 year olds.

This consultation document is a means of establishing your views on a number of issues that will be crucially important as we take Modern Apprenticeships into the new Century. The rationale for change is described below. The consultation represents an opportunity to introduce new ideas and build on good practice. Many of the proposals below come from employers, Training and Enterprise Councils (TECs) and National Training Organisations (NTOs) and draw on many examples of good practice. Others stem from reports such as the National Skills Task Force on Delivering Skills for All.

We need an apprenticeship **culture** which:

- i) meets the needs of the individual in a learning environment which is broader and more coherent than before;**
- ii) offers even greater opportunities for progression including Higher Education by 2010;**
- iii) secures highest possible standards and is part of a coherent vocational learning system from age 14.**

The Government will play its' part with a fairer, more transparent funding system under the Learning and Skills Council (LSC). In our parallel consultation document, *Learning to Succeed – Post-16 Funding: Second Technical Consultation Paper*, we set out our proposals for the applying the LSC's funding system to the new Modern Apprenticeship framework.

We want employers to recognise the flexibilities that Modern Apprenticeships offer and at the same time to appreciate that this brings responsibilities too.

We have already changed the name of National Traineeships in line with the recommendations of the National Skills Task Force. They are now known as Foundation Modern Apprenticeships (FMA). Alongside Advanced Modern Apprenticeships (AMA) at level 3 this option will secure a ladder of progression in vocational learning. Throughout this document we refer to these initiatives together as Modern Apprenticeships, measures aimed at FMA or AMA specifically will be identified as such.

Finally, these proposals relate to England only.

RATIONALE FOR CHANGE

Modern Apprenticeships: What are they?

- They lead to NVQs – Level 3 (Advanced), Level 2 (Foundation)
- And include Key Skills and Other Qualifications required by industry
- The training is framework based
- The frameworks are designed by NTOs, funded via TECs, supported by the Careers Service and delivered through employers and training providers
- Have high levels of employed status (Jan 2000: 95% MA; 70% NT)
- An MA & NT Advisory Group (MANTRA) – approves frameworks and advises on policy, promotion and performance

- Framework compliance is an issue that many NTOs are concerned about. The NTO National Council is working with Training Standards Council (TSC) in tackling this problem.
- The Training Standards Council has highlighted poor initial assessment, lack of trainer skills and qualifications and problems integrating key skills as major areas of concern for Modern Apprenticeships.
- The National Skills Task Force recommended enhancing Modern Apprenticeships in a number of important ways, including the introduction of Foundation Modern Apprenticeships to replace National Traineeships and the need for explicit assessment of underpinning knowledge and understanding in MA frameworks.

In April 2001 the major changes in the training structure outlined in the White Paper 'Learning to Succeed 1999' will begin to take effect, along with changes to careers advice and guidance, services to small business, access to qualifications and a new inspection regime. This means the time is right to review Modern Apprenticeships.

We know that there is also work to do on improving the performance of existing National Traineeships and Modern Apprenticeships in some areas:

- Issues of poor retention, attainment and completion are currently being addressed by TECs and partners through our Quality Strategy. The strategy aims to ensure that a good start is made in improving quality in the run up to the new arrangements. In its' consultation document "Raising Standards in post 16 learning" published on 26th May the Department proposes how the LSC and ES will work with partners to raise standards of post-16 education and training.

The Department and its partners are doing a number of things to address these issues but we need to consult further on the way ahead. We want a system which still has employers in the lead on design and in which standards are paramount. The new framework must carry with it the flexibility to enable employers to deliver what they want in the way that they want it. But it must also ensure that young people who opt for apprenticeships rather than further full time education develop their general skills and have the opportunity of progressing to an expanded higher education system. It must be rigorous and yet pragmatic. Most of all it must build on the excellent progress that we have made since 1993. This has changed Government supported work based training for young people from the often last ditch option of failed YT to a new improved route of choice for those young people who do not wish to stay in full-time further education.

This document will examine each of the proposed changes to the framework giving further detail on the background and then posing several key questions on which we would appreciate your views. This is not to limit your comments on the proposal or any other matter relating to Modern Apprenticeships. Throughout our key interest is on innovative solutions which offer young people choice in reaching their goals.

THE PROPOSALS

1. Increasing the 'taught' element, underpinning knowledge and understanding needed for the job.

The National Skills Task Force second report highlighted the need for qualifications which provided underpinning knowledge and understanding for all apprentices. This would enable them to deepen their competence and to progress to higher levels of learning. The Government would like to see separately assessed and certificated underpinning knowledge and understanding as a part of all Modern Apprenticeships.

Though relevant knowledge is incorporated currently within NVQs, it is usually not brought together in a manner which easily enables explicit teaching and coherent assessment. The Government believes that a sound and structured approach to underpinning knowledge is particularly valuable to young people starting out in an occupation and hoping to progress within it, including the chance to progress to relevant courses within higher education.

Young people entering apprenticeship need to know not only the technical theory underpinning their occupations, but also to learn about their rights and responsibilities as employees (which differ between occupations), for example those concerned with health and safety and equal opportunities, to understand the particular disciplines and means of representation that apply, and to appreciate how their chosen occupation is affected by matters of public concern and regulation. These matters are often currently included in good induction programmes, but would benefit from formalisation so that NTOs can be assured that they are properly covered, trainees get credit from their appreciation of them, and new entrants to an occupation start from a common base.

Already in a number of sectors, specialised taught qualifications, very much of the nature we envisage for technical certificates,

complement the practical training embodied by the NVQ at the core of the apprenticeship. Such qualifications serve also:

- to give options for people on more general vocational courses to specialise in preparation for entering a particular occupation;
- to open up routes to relevant higher education courses, particularly at Foundation Degree level;
- to act as a useful introduction to a particular occupation for people considering returning to the labour market, or making a change within it, without access to relevant work experience.

With technical certificates we want to spread these patterns outside the relatively few sectors where such courses are incorporated in apprenticeships, and – by giving industrial sectors a specific role in recognising these qualifications – to foster rationalisation of qualifications through clear occupational route maps.

The National Skills Task Force suggested that these aims might be served by 'related vocational qualifications' which would relate to individual NVQs. The knowledge and understanding must indeed relate to particular NVQs, but, as a general title this is likely to cause confusion, as it will not immediately be apparent to the public what they are related to. The government intends to refer to these qualifications as 'technical certificates', though we expect individual and distinctive titles which carry meaning in their sectors to be generated by NTOs and awarding bodies, in consultation with the QCA.

In many sectors, it will be a major task to develop technical certificates, involving the appraisal, adaptation and rationalisation of many qualifications currently being delivered and in some cases the development of new qualifications steered by the NTO, within parameters set by the QCA. The Government

will make available funds, through the QCA, for NTOs – involving awarding bodies and experts in vocational teaching – to develop or adapt technical certificates, in full consultation with their sectors.

Incorporating technical certificates into Modern Apprenticeship frameworks is a major step. Though the equivalent of day release is likely to be a good guideline as to their size, there will no doubt be a variety of methods for their delivery, including work books and special projects. However, there must be rigorous assessment to ensure that young people are treated equally and that their technical certificate is valued once gained.

A number of young people taking Modern Apprenticeships pursue vocational A levels or vocational GCSEs alongside their NVQs. For some this may well be a more appropriate course than a relatively specialised technical certificate. We would envisage therefore that – depending on the sector concerned – such qualifications might be nominated as an alternative to the technical certificate as fulfilling the vocational education component of an apprenticeship. Of course some young people may have gained these qualifications before entry to a Modern Apprenticeship, and sectors will wish to consider whether further, specialised vocational education is needed to supplement these courses, or whether such entrants can be considered to have fulfilled the vocational education requirement for the apprenticeship.

There are a number of issues around the development and delivery of technical certificates on which we would appreciate your views.

Q1

Are there currently qualifications broadly equivalent to technical certificates? What are they and can they be adapted to fulfill the aims set out above?

Q2

To what degree will it be right to specify a schedule of teaching as well as a scheme of assessment in these qualifications, and to what degree of detail should this be done?

Q3

Is it reasonable to class vocational A levels and vocational GCSEs as fulfilling the essential purpose of providing underpinning knowledge and theory, and if so should they be regarded as an alternative, for the purposes of modern apprenticeship completion, to a more specialised technical certificate?

Q4

In some sectors requirements for teaching and external assessment of knowledge are already features of their NVQ. It is reasonable in such cases to class this arrangement as fulfilling the purposes of a technical certificate, or would it be preferable to 'decouple' the theoretical from the practical elements? Are there other qualifications which already marry assessment of practical competence to occupational standards with the teaching and external assessment of knowledge?

2. Key Skills

The Government is committed to key skills. We want all young people to develop these skills which are vital to success in working life and lifelong learning. This is why key skills will remain integral to all Modern Apprenticeships.

It is also why a new qualification is being introduced from September this year incorporating the three key skills of communication, application of number and information technology. Candidates will be able to gain the full qualification if they have passed an objective test (or have previously gained equivalents within education) in each of these skills as well as showing – as now – evidence of their ability to apply and select these skills within a range of different work settings.

The Government wants wide take-up of the qualification in all 16-19 settings. We are encouraging training providers to offer – and trainees to accept – opportunities to take the new qualification from September at the level or levels appropriate to their needs and abilities. We are supporting the introduction of the qualification with a large support programme for teachers and trainers, with a distinct strand for work-based training.

From September 2001 we propose to reinforce this approach by placing an obligation on all providers of Modern Apprenticeships to ensure that trainees have opportunities to gain the key skills qualification. Providers will be judged by the degree to which their trainees achieve the qualification.

There are separate but related issues over what achievements in key skills should be required in order for a trainee formally to complete a modern apprenticeship. These are primarily for the industries themselves to determine. Accordingly, again from September 2001, those responsible for each framework will be able to specify both *which* key skills and at what *levels* will be necessary for successful completion of a Modern Apprenticeship.

Framework designers will also have freedom to include the wider key skills (working with others, improving own learning and performance and problem solving). These will continue to be available as key skills units but not as qualifications in their own right.

Though we believe that the mix of key skill requirements should be primarily for framework designers, we consider there is a strong case for establishing a national minimum for full attainment of the new qualification at level 2 in application of number and communication as a condition for completion of **all** Advanced Modern Apprenticeships. Though many, if not all, sectors will want to go beyond this, such a requirement would secure firm standards in the basics, as well as the vocational aspects of Modern Apprenticeships, and aid public understanding. Such a level of attainment in the basics is likely to be in any case necessary in order to cope with the demands of technical certificates at the advanced level.

For new entrants between now and September 2001, the existing requirements for achievement in key skills will be maintained whereby attainment of the three key skills, application of number, communication and IT is required through a portfolio of evidence.

Q5

Should the attainment of level 2 in communication and application of number be made a baseline requirement for the completion of an Advanced Modern Apprenticeship in respect of those entering from September 2001?

3. Requirement for a specified period of off-the-job training in colleges or with other training providers

The vast majority of Modern Apprenticeships already involve a period where young people study off-the-job, or at least out of the immediate workplace. The arrangements we have described for technical certificates and key skills are likely to make off-the-job training more common. Although 'know how' is certainly acquired on the job, its consolidation and organisation into enduring concepts needs structured reflection and specific instruction. Off-the-job experience also gives apprentices the chance to pool collective experience and to learn from each other.

We believe that a common expectation about off-the-job training would aid both quality assurance and constructive participation by employers and young people, who would know what their respective commitments would be likely to be. It would also aid the organisation of appropriate courses by colleges and training providers.

The Government wants to see all Modern Apprentices involved in at least the equivalent of one day per week of off-the-job training, integrated into the programme of on-the-job training. Sectors, however, may make demands in excess of this. What is important is that these minima are clearly stated.

There are many ways of defining and delivering off-the-job training, and we know that there are innovative solutions developed by employers with colleges, private training providers and higher education institutions. We would welcome views on the different ways of organising this. The way knowledge is delivered can be traditional or through distance- and open-learning methods. A great deal of good practice has been developed in various industries to enable young people's learning to be related clearly towards their on-the-job experiences, and to avoid repeating items that they have already covered, either on-the-job or in previous courses.

Clearly if the young person is to be away from

their work situation then productivity loss will be a consideration, as will the provision of study facilities. The Government's preference is to see these facilities off the premises in colleges or with other training providers but we would be interested to hear from employers and providers of learning who have means of delivering knowledge in a structured manner at the workplace – especially those using ICT technologies. We are also interested in in-company training facilities and examples of costs of these arrangements.

Periods off-the-job could be used to supplement apprenticeships in a number of ways beyond the requirements of the framework. For example individual guidance, intensive tuition, where needed in literacy or numeracy, and 'extension' studies such as foreign languages. It is unlikely that such matters can be laid down as appropriate for all, but there may be a case for designing 'space' within the overall off-the-job minimum for such activities to take place.

Obviously the length of time required off-the-job will depend largely on the content of the technical certificate and other requirements of the apprenticeship framework. We will be working with QCA and selected sectors to model arrangements where a taught element is specified.

Q6

What positive or negative impact would this have?

How can this learning time be organised so it is most effective and least disruptive to employers?

Q7

Q8

Should the minimum period be confined to the requirements of the technical certificate and key skills, or should additional time be built in to give the opportunity for optional studies, recognising that this would be at the expense of on-the-job training?

4. An Apprenticeship Diploma

The strengthening of the basis of the apprenticeship, outlined in this document, involves young people taking a number of additional qualification components and undertaking a more structured programme, linking off- and on-the-job learning.

The reforms we have outlined will give a firm basis for high quality apprenticeships, resting – in terms of formal qualifications – on a trio of a practically based NVQ, vocational education covering relevant knowledge, and attainment of key skills. Each of these components can be, and are currently being, taken by others outside the apprenticeship pathway. This serves to indicate that apprenticeships are part of a wider public training and education system.

The Government believes that there is a merit in providing a single and highly recognisable award to bring together the three components of underpinning knowledge, key skills and vocational specialisation. A nationally recognised Apprenticeship Diploma, the attainment of which would require the combination of these elements, would demonstrate that its holder was qualified for skilled work and, at the same time, capable of progression into further learning, including higher education.

We envisage that the Apprenticeship Diploma would be awarded by the appropriate NTO within the national qualifications framework. This would allow each Diploma to be customised to meet the needs of employers in different sectors while, at the same time, ensuring consistent national standards and a firm national identity. The Apprenticeship Diploma would also secure a framework for partnership relationships between employers and education providers, within the context of the establishment of the Learning and Skills Council.

More specifically, the Government thinks that an Apprenticeship Diploma is required to:

- show that apprentices have achieved both breadth and depth and, in particular, the three components of underpinning knowledge, key skills and occupational or vocational specialisation;
- signify to employers that an apprentice has fully completed their education and training;
- provide a form of certificate which will be recognised and trusted by further and higher education providers and, thereby, provide a means of progression to the new Foundation Degrees or other learning;
- provide a framework for parity of esteem and a means of recognising the attainment of vocational A Levels and vocational GCSEs as an alternative to a technical certificate;
- provide a ladder of progression for those taking vocational courses in full-time education so that they could go on to attain the Apprenticeship Diploma by supplementing these education-based components with occupational competence and specialisation;
- provide new incentives for young people undertaking vocational learning to ensure that they fulfil their potential.

Q9

Would a formal Apprenticeship Diploma serve to enhance the public status of apprenticeship within the national education and training system?

Q10

How could an Apprenticeship Diploma best admit qualification attainments gained in other contexts, so that it facilitates both progression and greater breadth of achievement for young people outside government-supported training as well as those on Foundation and Advanced Modern Apprenticeships?

5. Minimum Periods of Training

There are two aspects to this proposal. Firstly the specification of a minimum off-the-job period will have consequences for the minimum time taken in training overall. We would welcome views on how the knowledge, key skills and vocational elements can be combined effectively to produce an optimal training time for a typical trainee.

The second element is the evidence of the freedom that employers and training providers have to train young people at a pace that suits the individual and employer is sometimes being abused. There are too many cases where young people are achieving qualifications too quickly. This may be a problem of weak verification or a product of intensive off-the-job training without sufficient workplace practice. There are a number of sectors which would like to see minimum periods of training introduced to ensure that young people are able to integrate the skills acquired off-the-job with their experience in the workplace.

Of course there is no intention to ignore Accreditation of Prior Learning which is integrated within the proposals for the Apprenticeship Diploma, but minimum periods would help young people, employers and trainers understand what is involved and put them in a better position to ask questions if this minimum is being undercut.

Q11

Can improved LSC inspection and quality assurance arrangements ensure training is done properly without the need for minimum periods of training?

Q12

How can the minimum period be identified?

Q13

What other measures could be used to dissuade/prevent providers from pushing young people through training too quickly?

6. Entry Requirements

Originally the Government set targets for starts on Modern Apprenticeships and targets for the numbers in training. There is some evidence that this led to a concentration on entry numbers. We need collectively to shift our attention to the need for outcomes.

It is unfair on the young person and nugatory work for both trainer and employer if the training is not appropriate for the individual. The latest reports from the TSC indicate that there is insufficient attention to initial assessment of Modern Apprentice and this is symptomatic of the problem. The issue of better initial assessment is covered in the section on better support for young people.

This proposal is that a more pragmatic and immediate measure is to introduce tighter entry requirements within the frameworks. The technical certificates we envisage are likely to require at least a level of basic ability in literacy and numeracy. Young people need to be aware of the threshold which is the minimum requirement to successfully complete the qualifications involved in a Modern Apprenticeship.

The balance between educational achievements and potential to acquire skills is a difficult one and the Government would not wish to see entry requirements that were exclusively educational. We would also be interested to know more about those industries who apply some pre-entry testing and “work taster” exercises to ensure that young people were better aware of the challenges that lay ahead.

Q14

Should entry requirements apply to Foundation and/or Advanced Modern Apprenticeships?

Q15

Should the entry requirements explicitly include reference to the basic skills of literacy and numeracy?

Q16

Should entry requirements set down nationally be based purely on educational qualifications?

Q17

Should entry requirements be set by employers, NTOs – in frameworks, or by Government through the DfEE or through LSC or all these (and/or other) organisations working in partnership?

Q18

If Government set minimum entry requirements of, for example, GCSEs in both Maths and English at A*-C or key skills at level 2 for AMA – what would be the effect on recruitment?

The Government is considering some issues which have longer term impact and require more detailed planning and costing. These are included in this second part of the consultation document and again your views in general and on the specific questions would be very much appreciated.

7. Guaranteed Apprenticeships

There are still a number of young people undergoing training which is not geared to specific occupations under the arrangements known as 'Other Training'. It is our intention to reinforce the occupational relevance and attractiveness of Modern Apprenticeship Framework based training to encourage more young people and employers to choose Modern Apprenticeships and not 'Other Training'. Over time the Government expects the apprenticeship route to replace any other residual training. The FMA route currently has some 70% of participants in employment. A meaningful guaranteed apprenticeship must provide participants with:

- (i) a training place which is occupationally specific; and
- (ii) a job or work experience which reflects the occupation.

The challenge here is very great and the key issue with a guaranteed apprenticeship is that a participant must be capable of achieving it. To that end we would welcome views on the feasibility of guaranteeing an apprenticeship to all those who are capable of seeing it through to completion and the practical implications of such a guarantee.

Q19

What are the key issues and obstacles to be addressed in developing and delivering such a guarantee, and how might these be overcome?

Q20

Should a guaranteed place be linked to a guaranteed employment opportunity for the duration of training?

Q21

What happens to young people who are not capable of achieving Foundation Modern Apprenticeships?

Q22

Should non-specific FMA, that is one not produced by an NTO or specific to a sector, be available in industry where no FMA framework currently exists?

8. Better Independent Monitoring

Currently TECs and training providers monitor training on a day to day basis, the TSC inspects and reports on the quality of providers and NTOs take an overview of the performance in their sectors. A great deal has been achieved as a result of the increased emphasis on quality of training through the work of TECs, providers and the TSC.

The Department produces a greater range of statistical information including sector analyses which illustrate the performance of each of the frameworks. There has been excellent co-operation between the partners in improving the quality of and timeliness of the reports.

We wish to take this further combined with the qualitative data that we get from inspection reports. The Government would like to give NTOs a greater role in monitoring, especially given their role on establishing sector workforce development plans and advising the LSC. Monitoring performance of Modern Apprenticeships will be an important part of the advice they are able to give to the LSC for planning purposes.

There may also be a role for young people in providing feedback on the quality of training.

Under the proposals put forward in the consultation document "Raising Standards in post 16 learning" all post-16 education and training providers will be subject to the same degree of rigour in assessing the quality of their provision. Work based training funded by the LSC will be independently inspected by the Adult Learning Inspectorate (ALI).

Q23

Who should be involved in the independent monitoring of Modern Apprenticeships?

Q24

How can this be used to improve performance and improve the quality of the experience for the individual?

Q25

Should there be a forum for young people to give their opinions on the quality of their training?

Q26

In the longer term, would centralised Internet-based tracking of the progress of apprentices be worthwhile, (as happens in Eire)? Who should be responsible ?

9. Better Support

There should be better support for young people, employers and training providers. Where it is provided by the best TECs and providers the difference in achievement is readily apparent.

In the key skills area there is a great deal of demand for help and advice, materials and good practice models. We are working with Learning for Work, the key skills project managing agency, to ensure that this support for key skills is in place.

There are other areas where support to practitioners is needed. NTONC has done a great deal of work in supporting NTOs in their work on registration and certification through the Key Operating Principles document and through the NTONC website. There is also work being undertaken linking quality assurance with the TSC inspection regime through work on the framework compliance checklist.

The Government sees a greater role for LSCs and NTOs to support employers and training providers in providing a quality experience for apprentices, through:

- i. better initial assessment,
- ii. better mentoring and support in training,
- iii. better trainee complaints procedures and,
- iv. where appropriate support through the NTO of a greatly enhanced series of support mechanisms for young people.

We are entering a new environment for the support of training agreements. Government through the LSC will be able to take a closer role in monitoring the progress of the individual. Some have made the case for Government to produce a stronger Training Agreement for use by the employer and apprentice which signals the commitment to training. We will be examining this issue closely.

It is clear that where TECs, employers and providers provide support for young people the process is enhanced and more cost effective.

Q27

Who should provide support for a) trainees, b) employers and c) training providers?

What should this support consist of?

Q28

Q29

What is the role of Government in providing support for those involved in training process?

How can competence within staff managing and delivering training (on and off the job) be improved?

Q30

Q31

What is the role of NTOs in providing support for the training process and the partners in it?

Should mentors be mandatory for all Modern Apprentices?

Q32

Q33

Should there be a national complaints procedure for Apprentices?

Should there be a common and stronger training agreement produced by DfEE for all apprentices?

Q34

10. Employers

National Training Organisations (NTOs)/ employers have played a vital part in the design and implementation of MAs and it is critically important that this continues. TECs have made no less valuable a contribution and their role will be subsumed by the LSC after April next year.

Many employers report favourably on MAs and endorse the broad thrust of the proposed changes as raised in other forums. However, we want to hear of any concerns, reservations or alternative suggestions employers might have and would especially like to hear from employers who are not involved in MA, the reasons why and what could be done to help them to become involved.

In particular we are keen to work out better arrangements through local LSCs and the new Small Business Service (SBS) to help small businesses with Modern Apprenticeships. The successes of both Group Training Associations and more informal consortia stand out as a key way to encourage their involvement. Modern Apprenticeships also feature as an important option for many small businesses seeking advice from the Small Business Service on the development of their workforce.

The Small Business Service (SBS) will offer a range of advice, guidance and support to all small businesses seeking to develop and grow, including where appropriate, Modern Apprenticeships. Businesses will be able to access that advice and support through the SBS local network of Business Links and through National Information and Advice Gateway accessed through a single national telephone number and the internet. The SBS will work closely with the local Learning and Skills Council and local learning providers to ensure that small businesses receive the necessary support to maximise the benefit to the employer and apprentice throughout the apprenticeship period.

Q35

What are the main barriers for employers considering participation in Modern Apprenticeships?

Q36

How have TECs and Awarding Bodies been able to help small enterprises in making MA work?

Q37

What type of support should the Small Business Service make available specifically to SMEs seeking to take on a Modern Apprentice?

11. Financial Incentives for Employers and Awards for Trainees

Experience from overseas suggests that incentivising the achievement of milestones and completion of training works for both employers, training providers and trainees. This should be distinctly different from an output related payment system which postpones payment for providers and employers until the end of training. An incentive system must work over and above such a payment mechanism. The level of awards must be sufficient to make completion an attractive option but not so great as to encourage "no risk" training, that is, it should not encourage recruitment of those only sure of completion.

Q38

What measures would better incentivise completion and achievement?

12. Approval or accreditation of Employers who want to employ MAs

This idea has been used with success in a number of EU countries. The key attributes of a successful employer's involvement in training could be identified and used as criteria. Like lIP, this "kitemarking" could be recognition of excellence which allowed trainers to be offered dispensation from some of the LSC or Inspectorate mechanisms. It must link into LSC quality mechanisms and the process of the new inspectorate. But most importantly it must offer to lift some of the burden of paperwork for those who achieve the standards.

The system should encourage excellence, sharing of good practice and provide a minimum quality standard for the involvement of employers in Modern Apprenticeships. But moving toward a standard will take a long time and require a good deal of attention to the training of trainers

The LSC will apply a range of quality criteria when selecting the provision which it funds, and that those criteria are the subject of consultation/development. Quality will then be assured through the process of inspection, self assessment and action planning. There will be a strong focus on continuous quality improvement and the local LSCs will have a responsibility and capacity to support that process.

Q39

Should the long term aspiration be that all employers involved in Modern Apprenticeships be approved to do so?

Who would draw up the approval criteria?

Q40

Q41

How should the system be implemented, in particular who should monitor its progress, NTOs, the Inspectorate or the LSCs?

Q42

Should approval or accreditation extend to training provision through training providers also?

The funding system must underpin these proposals. The arrangements we propose in our consultation document *Learning to Succeed – Post-16 Funding: Second Technical Consultation* are designed to make the funding of the new Modern Apprenticeships fair, transparent, coherent and consistent nationally. The funding will comprise programme costs – dependent on the type of apprenticeship framework – and weightings that reflect the varying costs according to the occupation or sector. We are proposing that there should be a Rates Advisory Group which will advise the LSC on the funding levels and differentials. Their work will be helped by the modelling and data collection work that we have been doing and which will continue over the summer.

Finally as these proposals involve some major changes in Modern Apprenticeship policy we would welcome any general comments on their desired effect, the benefits and any pitfalls.

Q43

Overall, do the proposed reforms meet your perception of the need for change? Do they go too far or not far enough?

ROLES AND RESPONSIBILITIES

Finally, it may be helpful to show how we envisage the future system for Modern Apprenticeships to be organised in terms of the clear roles and responsibilities of our partners:

Role	Lead	Subsidiary
Vocational Qualification Structure	NTOs	QCA, Awarding Bodies
Award design and quality assurance	Awarding Bodies	QCA, NTOs
Sector mapping and framework content	NTOs	employers
Accreditation of technical certificates	QCA	Awarding Bodies
Employer support	LSC	Learning Provider/NTOs
Apprentice support	LSC	Connexions Service
Provider support	LSC	NTOs
Careers Guidance	Connexions Service	Employers/NTOs
Initial Assessment	Learning provider/ Connexions Service	Employer
Contract of Apprenticeship	Employer/LSC/apprentice	DfEE
Funding	LSC/Employer	DfEE
Inspection	Inspectorate	LSC
Employment	Employer	LSC
Quality Thresholds	LSC	DfEE

NEXT STEPS

We will be sending copies of this consultation document to all our partner organisations and it will be available on the Internet.

We look forward to your responses in writing or to our consultation mailbox

[ma.consultation@dfee.gov.uk]. You can also give us your views by filling in the form on the consultation website [www.dfee.gov.uk/ma.consultation].

In parallel with this consultation process, we will be setting up a hands-on group of employers and other representatives to advise practical and other considerations arising from the proposals.

Overall, response to this document and any other proposals for change will be considered by MANTRA (or a successor body) who will

continue to advise the Government on the design and operation of MAs.

We expect that once decided upon, some of these reforms will be easier or quicker to implement than others. We hope that some technical certificates will be available and written into frameworks by some sectors by the end of the year. We will be seeking to time our implementation of any changes sensibly within the calendar of developments of the Learning and Skills Council and Connexions service. We are working with DTI on the relationship and activities of the Small Business Service.

RESPONDING TO THIS CONSULTATION DOCUMENT

Responses to this Consultation Document should be sent by 5 September 2000 to:

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An on-line response can be made via the website www.dfee.gov.uk/ma.consultation

Queries

Any queries regarding this Consultation Document should be addressed to:

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The DfEE may, under the terms of the Code of Practice on Access to Government information, make individual consultation responses available on public request unless individual consultees have asked for their comments to remain confidential.

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ISBN: 1841853127

PP80/D10/41551/600/452

Ref: VET 2



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