

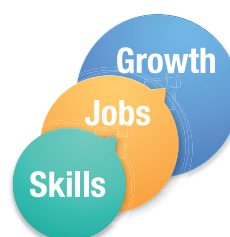


# AELP ANNUAL NATIONAL CONFERENCE JUNE 2014

A SUPPLEMENT  
PRODUCED  
BY



IN  
PARTNERSHIP  
WITH



**al** National Conference  
**2014**  
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Novotel London West, Hammersmith



# FE Week

## APPRENTICE FUNDING DOMINATES CONFERENCE

*FE Week* is the only newspaper dedicated to further education and skills

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@FCDWHITTAKER

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Apprenticeship reform was always expected to dominate the agenda at the Association of Employment and Learning Providers (AELP) 2014 annual conference, and that was certainly the case on day one.

It was already clear that, despite his protestations, Skills Minister Matthew Hancock still has a long way to go before he groups such as the AELP on his side, and now they have seen the devil in the detail,

it appears the Confederation of British Industry's (CBI) support is wavering too.

In this supplement, we look in detail at the proposed reforms, crunch some of the numbers and bring you coverage of the growing distance between the CBI and the government on emerging apprenticeship funding policy, an area which has usually seen them united in the past.

We are also delighted to be here to celebrate Stewart Segal's first year in office. Last year at this very conference, then-*FE Week* deputy editor Chris Henwood sat down with Stewart to speak about his vision for his first year.

And so this year Chris, now editor, spoke with him again to look back on an eventful first year, and ahead to one of the most important years in the FE sector's history, with the run-up to the 2015 general election.

We also exclusively spoke to Education and Training Foundation chief executive David Russell about the important role he believes his organisation can play in promoting the work of independent learning providers.

At the end of the supplement, we have special expert pieces from six of the high-profile speakers attending this year's AELP conference, from Education Funding

Agency chief executive Peter Lauener to Ofsted's new FE and skills national director Lorna Fitzjohn.

We hope this special souvenir supplement provides the ideal accompaniment to one of the most important events in the sector's calendar at a key time for everyone in the FE and training world.

This time next year, it could be all change for the government, and the future of FE has never been more uncertain.



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## Employers 'should have right to say no' to direct funding

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Employers should be allowed to choose not to have control over funding for apprenticeships, the Association of Employment and Learning Providers (AELP) has said.

In a solutions paper issued by the AELP on the first day of its annual conference, the organisation said it favoured more choice for employers over a proposed system of direct funding to businesses.

Under the old system, government cash for apprenticeships was given to providers, but the proposed apprenticeships reforms will see the cash go directly to employers to commission their own training.

The solutions document says: "We do not believe there is a demand from employers to have direct control over funding.

"Employers should have the choice of a direct contract or approving the funding being routed through an approved provider of their choice."

In the paper, the AELP said it shared the government's objectives in terms of increasing engagement with employers and giving businesses more power, but questions the need for mandatory cash contributions.

It says: "It is clear from independent surveys that most employers get involved in Apprenticeships through a discussion with an approved training provider. Any changes to the process must reflect the excellent relationships between providers and employers in finding, selecting and recruiting apprentices.

"[The reforms must] improve careers advice and guidance in schools through more focused guidance for schools [and] make traineeships the overarching programme for school-to-work transition and preparation for employment including but not exclusively for preparation for apprenticeships.

"We should make the programme more flexible for providers, employers and learners."

In his speech to the conference, AELP chief executive Stewart Segal (pictured) spoke about the importance of the involvement of learning providers in the policy-making process.

He said: "When governments involve training providers, and of course I include in that all training providers, colleges, independent training providers



and providers from the third sector, the decisions they come to are usually much, much better.

"We bring an experience of delivery and we bring a knowledge that no government departments can bring, and it is important that we are involved at as early a stage as possible.

"We are not here to preserve the status quo. We are not about saying 'don't change anything, things are great at the moment'. But we do need a bit more policy stability, we do need to know where we're coming from, we need to know the direction.

"In the last 12 months, there have been some major policy changes. In many cases

those are a response to what we have been pushing for for some years. For example, the traineeships programme is a programme that we have said we needed for some years. A programme which prepares people for work and is flexible.

"When it was introduced, it was introduced with a number of restrictions and we have been working with government to make sure the traineeship programme is successful.

"We were delighted to see some changes around the 16 hour rule and quite recently more flexibility around how long that work experience programme can be."

He added: "Perhaps the biggest challenge

we face is to make sure the changes to the apprenticeship programme build on the success of the current programme and don't undermine what is now a very successful programme.

"The trailblazer review is being led by employers and we would encourage that. We would encourage all parts of the sector to be involved in that discussion, and that is beginning to happen, but clearly, albeit a little bit late."





# Funding fall-out over details of employer cash contribution

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Skills Minister Matthew Hancock has rejected calls for in-kind contributions towards apprenticeships to count as part of employers' mandatory cash payments.

Mr Hancock re-affirmed his preference for mandatory cash contributions from employers after calls from the Confederation of British Industry (CBI) and the Association of Employment and Learning Providers (AELP) for other elements to be taken into account.

He told delegates at day one (Monday, June 2) of the AELP annual conference that expecting bosses to play a greater role in designing apprenticeship frameworks and asking them to front up a third of the provider costs — with the government paying the rest — would help “deliver the skills employers need for their future”.

The figures are for a pilot employer-led funding model made up of five funding cap levels ranging from £3,000 to £27,000, with further public money, including extra cash for 16 to 18-year-old apprenticeships, potentially pushing the highest cap above £37,000 (see explanatory graphs on right).

But CBI skills director Neil Carberry told delegates that businesses wanted “co-investment not co-payment”, and used social media site Twitter to call for contributions other than cash to count towards the employer's mandatory share of the cost. He said: “We need the totality of an employer's contribution taken into account, not just the cash — especially for the smallest.”

And an AELP spokesperson said: “Imposing mandatory cash contributions for all employers will mean that many employers will not engage with the programme. Contributions of all types should be encouraged and we should value non cash as highly as cash contributions.”

But when pressed on whether in-kind contributions should count, Mr Hancock said: “Of course there are wider costs to taking on apprentices, but those employers pay for what they value and value what they pay for.”

And Professor Alison Wolf, author of the 2011 report on vocational education, seemed to back the government, taking to Twitter to argue that in-kind contributions would be difficult to measure. She said: “Contributions ‘in-kind’, for anything, are

almost impossible to audit and very, very easy to list on a form.”

Mr Hancock told delegates: “If we call it co-investment and the substance is exactly the same, then I'm quite happy to take on board that proposition, and we will do a search of all our publications to change the word co-payment to co-investment if that helps.

“But on the substance of it, the reason why I'm such a strong supporter of co-investment is that the benefits of apprenticeships come to the apprentice themselves, to the employers and to the government. Under the existing system, many of the payments that we make to you [providers] are not known about by the employer.

**We need the totality of an employer's contribution taken into account, not just the cash**

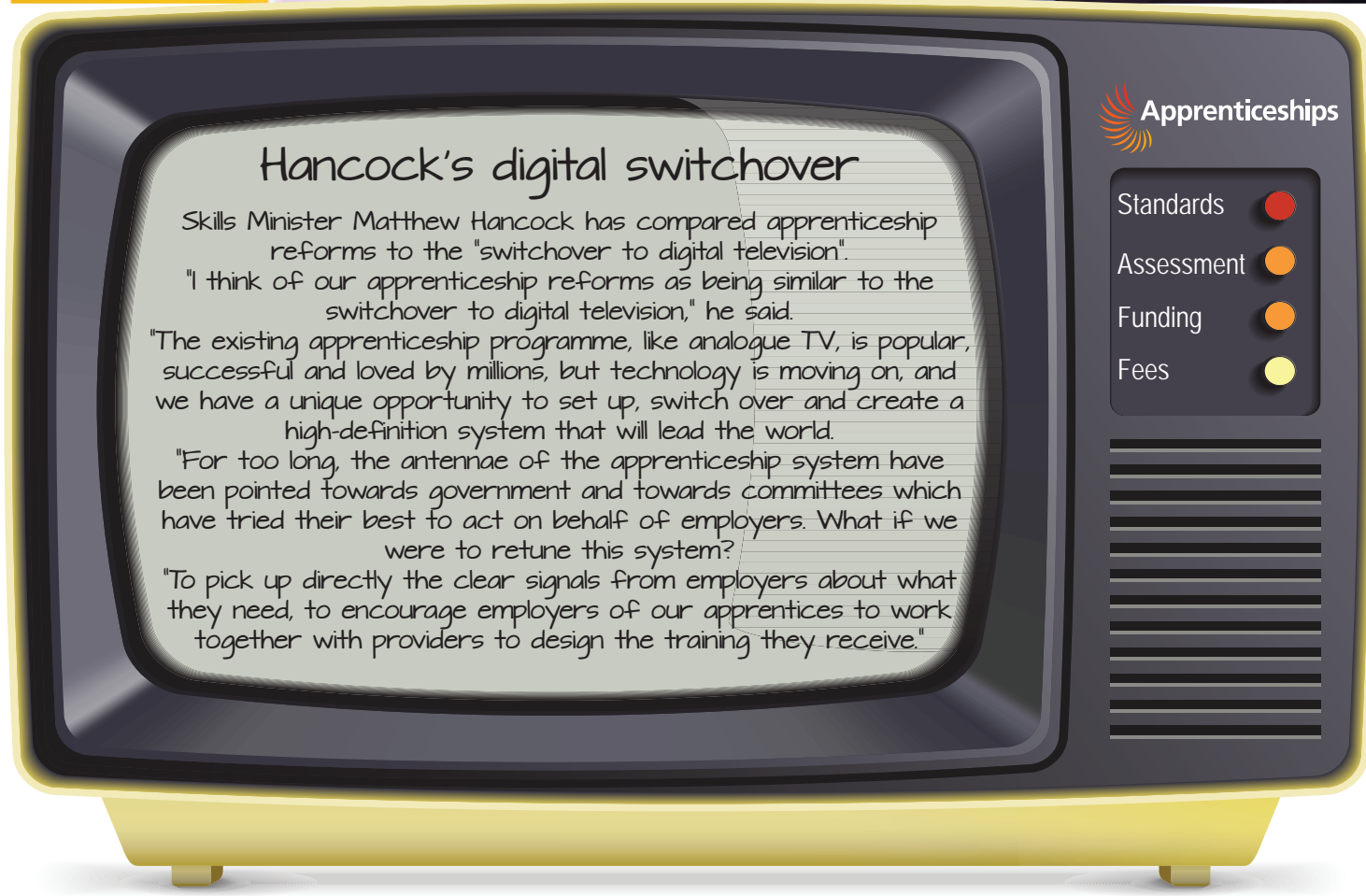
“Many employers don't know the value of training that you are providing and it's very hard for us as the government to drive value for money directly because we have to do it through regulation which comes out of the other end of the sausage machine with bureaucracy.”

It is believed to be the first time a mandatory cash contribution will have been required from apprentice employers. It comes two years after a review of apprenticeships by former BBC Dragons' Den investor Doug Richard recommended an employer-led system.

However, the government has not revealed how it will pay its share with the results of the latest consultation, which ended on May 1, proposing a PAYE or credit account system yet to be published.

But Mr Carberry told the conference the system had to be right for all businesses, big and small.

He said: “We are comfortable as an organisation with the idea that companies contribute to the apprenticeships they run, but that has to come on the basis that it makes sense to a company and co-investment has to be the principle we use.”



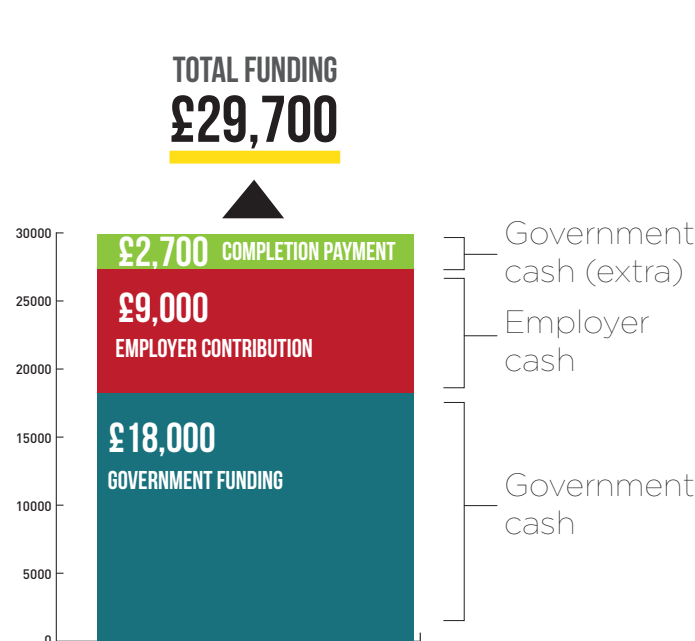
## Pilot apprenticeship funding model

Source: BIS

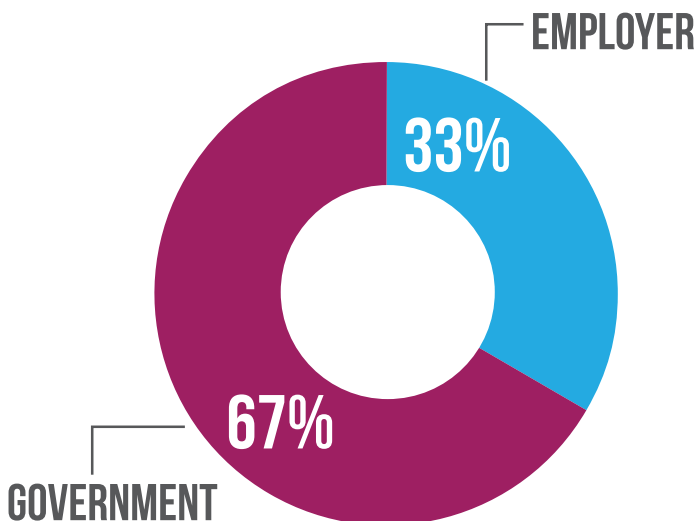
MAXIMUM ADDITIONAL PAYMENTS BASED ON PERCENTAGE OF TOTAL EMPLOYER/GOVERNMENT FUNDING						
Level	Government (67%)	Employer (33%)	16 to 18-year-olds (20%)	Small business incentive (10%)	Completion payment (10%)	Potential total funding
1	£18,000	£9,000	£5,400	£2,700	£2,700	£37,800
2	£8,000	£4,000	£2,400	£1,200	£1,200	£16,800
3	£6,000	£3,000	£1,800	£900	£900	£12,600
4	£3,000	£1,500	£900	£500	£500	£6,400
5	£2,000	£1,000	£600	£500	£500	£4,600

## Case studies

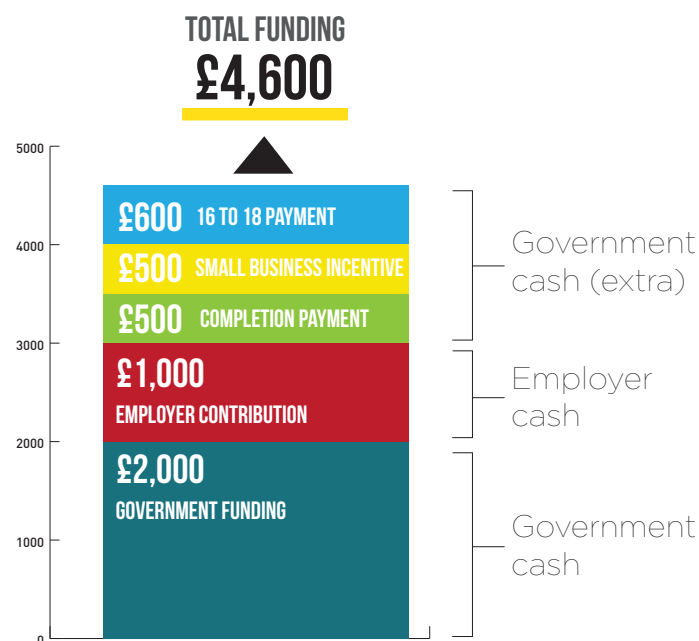
**19+ apprentice in a large business at funding cap level one**



Basic funding share



**16 to 18 apprentice in a small business at funding cap level five**



The new, employer-led funding model for the first Trailblazers' group has been issued for apprentices starting on or before July 31 next year — and it has been set at a maximum of £2 from the public purse for every £1 from an employer.

A consultation on the plans ended on May 1, but the government's response is not expected to be released until the Autumn

For more news, reaction and analysis on the apprenticeship reforms, see *FE Week* edition 104 and [feweek.co.uk](http://feweek.co.uk).





# Reflections on 12 months in the chief executive hotseat

**Stewart Segal spoke at last year's Association of Employment and Learning Providers annual conference as its incoming chief executive, replacing the long-serving Graham Hoyle.**

**Twelve months on, Mr Segal speaks to *FE Week* editor Chris Henwood to reflect on his year in post, the issues he currently faces and what he expects in the year ahead.**

**What have been your biggest successes over the last year?**

If you look at the key priorities of government, they're on the programmes that we have always believed should be at the forefront of work-based learning and skills and employment development. Many of our members are leading the work programme, within the Department for Work and Pensions (DWP), the Troubled Families programme, youth contracts. They are not highly successful as programmes, but their delivery is of a high quality and training providers are leading from the front. On the skills side, we have seen priority given to apprenticeship funding. We have an all-age, all sector, all-level programme — something which many of us have been working towards for many years and we didn't think we would ever get — yet here we are, with half a million starts a-year, 800,000 people on the programme at any one time. It's a fantastic success, and our members have been at the forefront of that.

**Is there a particular age group that concerns you on apprenticeships?**

The 16, 17 and 18-year-olds — it's difficult enough convincing an employer to make a 12-month minimum commitment, when actually it's not a 12-month commitment, it's a full-time job and a minimum 12 months of training programme that sits behind it. Whatever funding is put in, if we are putting more at risk for the employer, then they will clearly go for the safer option, which is a 19+ with a bit of experience, or someone with a lot of skills who is under-employed.

**What have been the struggles or disappointments?**

Traineeships. For example, if you are over 19, and you have a level two already, you're

not eligible. Now, there is some theory that you're closer to the job market because you've got a level two, but actually, when you meet some of those young people who have got their level two they are still a long way from the market, it's a shame that we can't run those programmes. There's also quite a lot of data issues and bureaucracy issues that we could smooth out of the system. The other big issue for us at the moment is the apprenticeship changes, where clearly government has set out to put employers in the chair, and we agree with that, but I did feel that there could have been a much more partnership approach to that so that we could support those employers.

**Do you think the recent traineeship figures of 3,300 in the first six months could be improved upon?**

I don't think they were as bad as some people said. Mainly because we have never had a flexible programme of that kind before, but it could have been a lot better. As long as we work in partnership, then I think the traineeship could become a very successful programme.

**With regards careers guidance, how do you feel about the access independent learning providers (ILPs) have to classrooms/schoolchildren?**

If you go to a school they probably do talk to training providers, but it's informal. There will be schools around that don't feel that's what they should be doing, and they want to make sure their young people feed into the sixth form. Talking to employers is now in the guidance, which is great, because there's a handle.

**There has been criticism, not least from Ofsted, that colleges are out of touch with employers. Is there a case for ILPs giving colleges a lead in how to engage with employers?**

I think that criticism is unfair, and it's normally based on a few examples of things that people come across. I think colleges have, over the past few years, worked very hard. We have some colleges in membership, and I don't think it's anybody leading anybody. What people don't realise is that if you look at any good college or ILP, you will probably find that, in their supply chain, in their delivery chain, there's probably a college and a number of ILPs



Stewart at AELP conference in 2013

working closely together. I think it's wrong to say that one set of providers will lead the other. I don't see it that way. But closer working partnerships are a must.

**Your predecessor as AELP chief executive, Graham Hoyle, was seen as successful in the role in, among other things, drawing together a wide range of providers with many different interests. Have you found that a difficult job?**

It is, yes. I think there's always been a tendency for smaller providers who don't have the resources to get involved in all the various groups and meetings to see this as large provider-driven. And I have tried very hard to make sure that we're representing the whole of the provider workforce. The driver for us has to be quality of delivery, and therefore has to be independent of size, structure and sector.

**If you could ask Skills Minister Matthew Hancock to change an existing policy, what would it be and why?**

The traineeship programme, because I think it's still our biggest challenge, to make sure that there is a route for young people from

unemployment through to employment, and from school and college into work. It was good to see the numbers going down — I don't like using the word Neet [not in employment, education or training] — but it was good to see the number of unemployed people going down. I haven't done the maths yet, but I think it's going down slower than the average of the UK population. I'd like to see it going down faster.

**What's top of your to do list for the coming year?**

On the policy side, I think apprenticeships. But the big thing which I don't think that I've done enough on is the link between DWP-type programmes and Education Funding Agency and Skills Funding Agency (SFA) programmes. So the link between employability and skills we're still struggling with. The DWP seem to have different drivers, and frankly I don't know that they absolutely believe that skills are the answer to their problem. Their problem is getting people off benefits, and our view is that skills are an important part of that, but I'm not sure that's embedded in what the DWP does — so that, for me, is a

big challenge.

**Has there been a common theme emerging when you have spoken to independent learning providers over the last year?**

The squeeze in budgets. Clearly, the rising requirement from a quality perspective and a contract control perspective. Our contracts are managed much more closely than ever before. The quality benchmarks we have to hit are higher than ever before, while the funding is not increasing, we are all delighted when they aren't reducing the rates. Staff costs are the biggest part of a training provider's costs, they are going up and are continuing to go up, and we haven't had any funding rises for some years — so it's getting really tough. Contract management is still quite a clunky methodology that the SFA has, with quarterly reviews for ILPs, whereas colleges have an annual review of their contracts.

**Were the findings of the Further Education Learning Technology Action Group, and now the approach the Education Technology Action Group is**

**taking, relevant to ILPs?**

Interestingly, I think ILPs have always been at the forefront of the use of technology, so we have had some market leaders in that. What hasn't happened is that getting embedded into delivery across the whole piece. I mean, there are still a frighteningly large number of training providers involved in the system, so it's going to take a lot to embed those principles of using technology. Much of the technology that we've got in place, and there is quite a lot of it, is about the management of the training — we have got to move that into the delivery of the training. And I think that's been slower than we would all have liked, partly around the investment.

**How do you feel when you see ILPs lose their EFA/SFA contracts following a grade four Ofsted inspection result, and yet colleges in the same situation hold on to their contracts?**

We have always been a supporter of high-quality delivery, and we are still working with Ofsted, but I think there's a much better understanding now that if there is poor provision then it has to be addressed.



Stewart Segal being interviewed by *FE Week*'s editor Chris Henwood

There are still a few parts of the sector where colleges are dealt with differently to ILPs, I understand that. They are different structures, different corporations. But the principles of how all providers are dealt with should be the same. And that, for me, should apply to intervention. So the principles of intervention that the FE commissioner now uses should be the same for the SFA or any other body.

**Just two ILPs have been graded as outstanding by Ofsted since September 2012. Are you disappointed by that number?**

I think it's very difficult to get a grade one, and therefore Hawk Training and QA did a remarkable job. If your main focus is around work-based learning, it's always going to be quite a challenge to get the grade one, because for some of that time it's not under your own control. We have now got some good examples of how grade one can be shown, and it would be great to see more coming through, but I don't think I'm at the point where I'm disappointed.

**Would you therefore like to see Ofsted amend its inspection practice on work-based learning?**

One of the things we talked about, and I think we might need to do it around traineeships as well, is to be much more explicit about what we see as successful. So in terms of traineeships, for example, Ofsted will have to look at progression. But I'm not sure that we've got a well-understood methodology of understanding progression, so we have to work with Ofsted to be sure that providers know what they're going to be looking for.

**Is there an argument that a section of the FE Commissioner's office, or maybe a new commissioner-type official, should be created for the ILP sector?**

No. I'm not a great believer in creating new structures for the sake of it, but clearly there are people within SFA who deal with intervention, so whether it's within SFA or wherever it sits, it should be clear who's dealing with it.

**Do you have any predictions for the sector for the year ahead?**

The key one is going to be around the General Election next May. I'm not going to make a prediction about who's going to win, but clearly that's going to influence things, and there will be a period where there is likely to be much change. I think we will get some movement on the traineeships, both in terms of those that are able to deliver it and in terms of the eligibility of those programmes, so I think that programme will grow. I think we will have an interesting year talking around the apprenticeship changes.

**What have you learned about the FE and skills sector during your first year as AELP chief executive?**

The difficulty of changing views within government, particularly as you move towards an election. That's been more challenging than I thought. I thought we would all sit down around a nice open table and come up with a logical policy, but it is much more difficult — possibly because (a) it's a coalition and (b) that we're moving towards an election. I have also learned a lot about keeping partnerships together within the sector, but I think we've made a good fist of that.





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# VOXPOPS

## What are your three key areas for the AELP to focus on ahead of the general election?

With conference delegates tucking into their lunches on day one, *FE Week* editor Chris Henwood took the opportunity to find out what audience members wanted to see AELP push the political parties on in the run-up to next year general election.

### FOLU OYEGBESAN

**Director of studies**  
**The Assessment and Training Centre, in Welling, Kent**  
1 - With regards funding, I'm worried employers won't want to pay towards apprenticeships  
2 - And how will employers, when they get the apprenticeship funding, identify between providers to carry out the training? Will they just go for the cheapest — will there be a race to the bottom?  
3 - The number of qualifications that have had their public funding cut is an issue for the AELP to take up. Too many quals have been cut



### BEV JONES

**Curriculum director**  
**Coralesce**  
1 - Supporting independent learning providers with digital and the learning technology agenda  
2 - We need to be looking a better use of the adult skills budget to improve people's job prospects and move up the career ladder  
3 - It's important to keep an eye on apprenticeships as there's still a lot of concern that small and medium-sized enterprises, particularly small businesses, won't engage with the programme because of funding concerns



### CHRIS MELVIN

**Chief executive**  
**PublicCo**  
1 - We need to find out more about the mechanics of the employer contribution on apprenticeships. I'm quite in favour of it, but it needs to be simple — particularly for micro businesses  
2 - The replacement of the work programme and how that and skills can be more closely brought together  
3 - How can traineeships be most effective? At the moment they're not really getting through to the hardest-to-help, marginalised kids that the programme was designed for



### JASON MOSS

**Chief executive**  
**Agilisys Arch (Hammersmith-based employer-provider)**  
1 - I don't think we've got the clarity we need on apprenticeship funding reforms  
2 - What are Labour's view on the apprenticeship funding reforms and is the Association of Employment and Learning Providers ready in case there is a change of government?  
3 - I'd like a system of grants to help independent learning providers integrate technology into their working and learning practices



### JACKIE SHELTON

**Apprenticeship manager**  
**North Warwickshire and Hinckley College**  
1 - Where apprenticeship will be going is a real concern. Some-micro businesses we work with will struggle to manage administrative tasks  
2 - Restrictions around eligibility for traineeships  
3 - The take-up of higher apprenticeship is disappointing and some employers are really confused about how they're funded. We're trying to sell the benefits and opportunities but they're mesmerised



### SANDRA FURBY

**Tribal**  
**Director of learning and development**  
1 - English and maths. We're no better off now than we were 15 years ago on school-leaver achievements  
2 - How can we make sure small employers, particularly micro employers, aren't marginalised from apprenticeships by reforms?  
3 - Support for people to do more online learning. People often want to do this, but staff at their college or independent learning provider don't feel they're geared up enough to do it



### BARRI GHAI

**Achievement for Children, London Borough of Richmond upon Thames**  
**Operations manager**  
1 - The AELP needs to be asking how successful traineeships have really been and how they're delivered  
2 - The shift towards GCSEs and away from Functional Skills (FS) should be challenged. Work-based learning is more strategically-aligned to FS than GCSEs  
3 - With employers getting apprenticeship funding, providers will have to change who we negotiate with. What will that mean for our assessment teams?



## TWEETS #AELP2014

**@PaulW153**  
#aelp14 @esthermcveymp asks what a cash payment for an apprenticeship means. Some consternation in audience

**@shanechowen**  
Skills minister describes training providers as his "private army" in selling apprenticeships. So much cringe. #AELP14

**@PaulEeles**  
The chair of @AELPUK says it's the providers who make sense of the system for employers #AELP14

**@RichardAlberg**  
Ingeus data: a person is three times more likely to re-enter labour market if they have English, Maths and IT skills. #aelp14

**@CalderdaleCT**  
Enjoying a lively AELP Conference, some great challenging questions for speakers #AELP14

**@mhammond62**  
Unusual to hear TUC in agreement with a Tory minister, #AELP14

**@Mikecoxone**  
Kay Carberry still too many apprenticeships paid too little despite what @matthancockmp stated #AELP14

**@BTECAp apprentice**  
'For each pound an employer puts in (to apprenticeships) we will put in two pounds' @matthancockmp #aelp

**@Stockdalej**  
Clever wording there from Matt Hancock businesses supporting 'the principles' of funding reform - he didn't say 'mechanisms'... #aelp2014

**@paul\_paulnelson**  
@EstherMcVeyMP telling young people to get on the job ladder and then work up #aelp2014

**@EMPRA**  
Who's going to be at the #AELP14 gala dinner tonight? Might see you there :-)

**@paul\_paulnelson**  
Dave Simmonds from CESI talks about need for providers to get some bonus funding based on job outcomes as an incentive #aelp14





# ‘We’re here for indies too,’ says ETF chief

The Education and Training Foundation (ETF) is an organisation for independent learning providers (ILPs) — not just FE colleges, its chief executive told *FE Week*.

Indeed, David Russell pointed to the proof being in the name as he said ILPs were part of “every facet” of the ETF remit.

Speaking ahead of the Association of Employment and Learning Providers (AELP) conference, Mr Russell said he had recently provided re-assurance to AELP’s strategic forum on ETF’s intention to help ILPs.

He said: “We were set up with AELP right in at the bottom floor, so to speak. I think that they were, in some ways, punching above their weight right from the beginning, with the creation of the foundation — you can see that in the very name.

“You know, the fact that we’re not called the FE Guild is precisely because of AELP making clear what they thought was needed to serve the whole FE and training system — and I think they were dead right.

“We had a really productive discussion where I went through what it meant to me, why we weren’t a college-oriented body.

“I talked about the big apprenticeships contract we got, the big traineeships contract we got, I talked about our expert panels, I talked about where our staff come from and where they don’t come from, and I gave them the very specific example of the maths enhancement programme that we’ve been running, and I was able to give them some of the management data, if you like, showing that a very high proportion of the people that have benefitted from that have been from independent training providers.

“And there was delight and surprise around the table, because I think they took that as a real concrete sign that what I’ve been saying from the beginning is actually being played through in what we’re doing.”

Mr Russell said he understood the concern of AELP members that the ETF might become “just another organisation” representing FE colleges.

“That’s an understandable concern,” he said, “but it’s not right, and they could see, I think, fairly clearly, from the way I described what we’re all about, but also from some specific information that I gave them, that that’s where we are.

“It’s not just because we’ve got a nice, balanced board, although obviously

that helps, it’s every level. Board, chief executive relations, expert panels, priority setting, design of programmes, evaluation, communication.

“In every facet of what we do, we’re here for the FE and training system, and the fact that two of our three big priorities, if anything, they’re more about ILPs than they are about colleges.

“I suppose what was interesting for me was the question of how long will it take before I have convinced every last member of the AELP community that we are what we are?

“I understand why it’s taking time, because frankly there is a history of them feeling a bit left out, a bit of an afterthought.”

Mr Russell accepted there was a difference in what the public sees of the day-to-day work of ILPs, compared to colleges.

He said: “There’s a big physical edifice, which there isn’t always, or even usually, with an independent training provider — so there’s definitely that.

“There’s definitely the fact that everybody thinks they know what a college is, whether they do or don’t, the fact that maybe some of the language is a little bit less accessible for your average punter, so... ILP – you’ve already lost me a bit. What’s that provider bit about?”

He also spoke of a frustration among ILPs around parity between them and colleges, and said it was something the ETF wanted to work on.

Mr Russell said: “I think there is frustration, certainly with AELP, that’s been expressed over the years about the not necessarily getting the same treatment.

“They’re still handling government money, they’re still training young people that would otherwise train in a college or in a sixth form... they don’t necessarily get the same treatment by the government, they don’t follow the same rules, they’re not having the same sort of inspection frameworks.

“Our concern is to help them provide the highest standard of service that they can and that can mean different things in different contexts.”

He said he would be using the conference to further boost the link between the AELP and ETF, which he said was already strong.

“I spoke at the autumn AELP conference already, we communicate through AELP,



with AELP members, and I’m reasonably confident that we’ve got a good level of kind of baseline awareness of who we are, what we do, and that we’re here for AELP members,” said Mr Russell.

“So really, the conference is an opportunity to take that to the next level and talk in a bit more detail about, okay, what are we actually doing? You know that we’re here for you — what does that mean now?

“So let’s talk about professional standards — what does that mean for you? Let’s talk about the maths enhancement programme. What does that mean for you? Let’s talk about the apprenticeship support

programme and the traineeship support programme so that people can see the next level down, if you like, so it’s kind of... the strategic scope and the ambition, which I hope they’re aware of, is backed up with a lot more detail.

“Having said that, many small companies

are very busy, so I know we don’t have 100 per cent awareness yet. So I never underestimate the need to keep reinforcing the basics about who we are, why we’re here, how we got here, where we’re going... we’ve got to keep doing that, but if that’s all you do, actually quite a lot of that audience will start to switch off, because they’ll think, ‘I heard that a few months ago’.”

## EXPERTS



**KAY CARBERRY**  
ASSISTANT GENERAL SECRETARY OF THE TRADES UNION CONGRESS (TUC)

Day one speaker

## Skill policy ‘should benefit’ existing workforce — not just young job-hunters

The results of the recent adult skills survey by the Organisation for Economic Co-operation and Development highlighted a concern familiar to unions and employers — too many school leavers and adults in the UK still lack the essential skills in English and maths that they need if they are to fulfil their potential at work and in the wider community.

Worse still, these skills levels are also more likely to be influenced by social inequality in the UK than elsewhere, with individuals from poor families much less likely to progress up the skills ladder.

Similarly, many people who didn’t have a particularly positive experience at school, and who as a result left education with very few or indeed no qualifications, face a greater uphill battle to overcome their skills shortfall.

Workplace learning can make a real difference, but despite the great effort made in recent years by union learning reps more must be done to make learning and development more accessible.

The best UK employers might offer their staff world class training and development programmes, but a third still provide no training whatsoever to their workforce.

It’s hardly surprising then that the latest survey from the UK Commission for Employment and Skills shows that the total volume of employer training continues to decline.

It also highlights that the national skills deficit will act as a brake on economic recovery as a result of the growing number of vacancies that can’t be filled because jobseekers don’t have the right skills.

There is also growing evidence that the UK’s lacklustre productivity performance is strongly influenced by our poor performance on skills. As well as the problems with core skills, we must expand the opportunities for young people and adults to progress to intermediate and higher level vocational skills.

Enabling many more young people to enrol onto a high quality apprenticeship

is, without doubt, the number one priority. It is no coincidence that the European countries with the lowest levels of youth unemployment are the very ones with the most comprehensive and high quality apprenticeship systems.

## Retraining and improving the skills of existing employees must be at the heart of any national skills strategy

But as well as young people entering the labour market we also need to think about the needs of the existing workforce. Retraining and improving the skills of existing employees must be at the heart of any national skills strategy, including allowing adult employees to achieve high standard apprenticeships.

For too long skills policy has been trapped in a silo all on its own with little connection to economic and industrial priorities. This disconnect has been evident at all levels of decision-making — national, regional, local and also within specific sectors and industries.

There are some major challenges that still need to be tackled and perhaps the most pressing is the continuing scandal of poor quality apprenticeships. Poor training provision and contravention of the minimum wage have blighted the apprenticeship brand in recent years and this must stop.

Working together unions, employers and government can make a difference. But while much of the world has woken up to the skills challenge, there is much in the UK still that we need to do.



**PETER LAUENER**  
CHIEF EXECUTIVE OF THE EDUCATION FUNDING AGENCY

Day two speaker

## Raft of reforms leaves ‘no doubt’ about education system

The demands of employers have changed considerably in recent years, yet for too long the way we prepare young people for the world of work did not keep pace.

But since 2010 there has been a raft of changes to post-16 education, with the government helping to ensure that academic and vocational education are put on an equal footing, that technical qualifications are high quality and endorsed by employers, and that key subjects like English and maths are at the heart of studying.

These reforms, backed by employers, mean young people will have the skills to compete in a tough and increasingly globalised jobs market.

Following Professor Alison Wolf’s ground-breaking recommendations, we identified the best vocational qualifications, called Tech Levels, gold-standard qualifications valued by businesses, so young people knew which ones will help them progress into good jobs.

## We identified the best vocational qualifications, called Tech Levels, gold-standard qualifications valued by businesses, so young people knew which ones will help them progress into good jobs

We also changed post-16 funding so schools and colleges are only incentivised to offer the best qualifications — paying them by student, not by qualification.

The most useful and adaptable skills are

often the most basic, which is why young people need courses that give them a solid grounding in basic skills.

This is why we now require all young people to have a good command of English and maths — the two most important vocational qualifications.

It is why they are part of the Tech Bacc, and why this government changed the rules so English and maths are compulsory up to age 18 for those without at least a C grade at GCSE in these subjects.

The economy depends on a flexible and responsive education system, and those at the coalface of British industry know best how to meet these demands.

That is why we are involving employers in designing vocational courses. We have given them the pen to design new apprenticeship standards. More than 400 employers are already involved, resulting in more relevant and respected qualifications designed to produce highly-skilled young people and forge links with business.

We have also introduced a programme of traineeships to deliver the skills needed to secure apprenticeships.

Young people will now leave school or college able to choose between equally well-regarded routes to great careers — directly into the skilled job they are qualified to do, through university or through an apprenticeship.

Our reforms are bearing fruit with more people staying in education and training. Recent figures show 16 to 18-year-olds not in education, employment or training had fallen to their lowest level since 2001.

There can now be no doubt our education system is designed to equip young people with the skills needed for productive and rewarding careers while providing UK businesses with the employees to compete globally.





EXPERTS



LORNA  
FITZJOHN

NATIONAL DIRECTOR FOR FE AND SKILLS, OFSTED

## Keep an eye on the dashboard for leadership pointers

Inspection clearly shows us that good leadership, and the accountability that comes with it, is the lynchpin of outstanding provision across all Ofsted's remits.

Yet for many FE and skills providers, it isn't always easy to pinpoint the source of leadership.

For colleges, it is relatively simple to identify — leadership is provided by the governing body and principal, who hold their colleges to account on the quality of provision and the impact that has on what their learners achieve.

The principles of governance apply to any provider, whether or not they are legally required to have a governing body, but it is sometimes difficult to establish who fulfils this leadership role in independent learning providers, employer providers, charitable organisations and even some local authority providers.

Be it supervisory bodies, trustees, boards of directors, or council members, surely every provider must have a critical friend or a sounding board to provide support and challenge?

However, finding a suitable source of accountability is just the first step.

Inspections have shown that leadership is

often particularly weak where leaders do not have the tools to carry out the core functions of governance.

A recurring issue we find is that the available data on providers' performance can be very complex, making it difficult for leaders to scrutinise and analyse the extent to which their learners are benefitting from their provision.

One of the ways we have sought to remedy this is through the recent launch of Ofsted's FE and skills Data Dashboard. This is a resource which every type of FE provider can

**Finding a suitable source of accountability is just the first step**

utilise, not just colleges. It gives all leaders access to high level performance measures to aid them in holding providers to account on past performance.

While Ofsted plays a role in providing external accountability, we want to support providers to improve their own levels of

internal accountability. This is why the dashboard includes information on the number of learners completing qualifications in academic, vocational and apprenticeship-based courses and the destination of learners once they complete their qualification.

Last year's annual report highlighted the need for greater accountability measures in the FE and skills sector, particularly when it comes to making sure providers are responsive to the employment needs of their local area.

For this reason, the dashboard also contains information on the main priorities for Local Enterprise Partnerships (LEPs), allowing leaders to consider how well their provision supports local education and training needs.

One of the appeals of working in FE and skills for me was the acute awareness that in the sector you are helping learners gain the skills they need to succeed beyond their training and hopefully setting them up for a successful career. As national director, I am committed to making sure strong leadership and greater accountability lead to better outcomes for learners across every type of provider in our remit.

Day two speaker



JASON HOLT

CHIEF EXECUTIVE OF HOLTS GROUP AND AUTHOR OF A MAY 2012 REVIEW OF APPRENTICESHIPS

## Looking out for the SME apprentice employer

I have had an interesting few months seeing and hearing the concerns of businesses and providers in relation to the apprenticeship reforms. There is a common thread among them.

On the one hand, as a business owner in the tech and jewellery sectors, the word on the street is that businesses will need to do more. They will need to do some of the heavy lifting previously left entirely to providers.

Even for those businesses like mine who are already vested advocates of apprenticeships, this extra burden is unwelcome.

If I want to take on a new member of

Equally, how do we ensure that the SME customer journey is simple, clear and concise and the wiring well hidden?

I have a three-pronged plan over the coming months.

As a niche provider I would like to refine our package of support so that SMEs see apprenticeship recruitment as simple as any other employment. How will we do this? For the jewellery sector the key is being seen as relevant.

**I would like to refine our package of support so that SMEs see apprenticeship recruitment as simple as any other employment**

So much depends on good communication and employer engagement. We are working in a formal partnership with our trade association, The British Jewellers' Association and sector skills council, CC

Skills, to ensure that what employers want is being matched with provision.

Equally, our apprentice team, who manage the relationships with employers are all jewellery natives. So from the word go we are in tune with what employers want.

As a business I hope to be of assistance to officials at the Department for Business, Innovation and Skills (BIS) and Skills Minister Matthew Hancock in creating the most conducive customer journey.

In the past few weeks, I have gathered a group of SMEs, representatives from the Federation of Small Businesses and BIS/UK Commission for Employment and Skills officials together to explore what this could look like.

And finally, as a huge fan of apprenticeships, I will continue to work with the National Apprenticeship Service and others to encourage local communities to take ownership of the apprenticeship flame.

This is very much part of the mission of the recently overhauled Apprenticeship Ambassador Network, on which I try to be the voice of the SME.

I relish the day we see the apprenticeship promise adopted at a local community level and its promotion spearheaded by employers, providers and schools in true partnership.

Day two speaker

EXPERTS



NEIL CARBERRY

DIRECTOR FOR EMPLOYMENT AND SKILLS POLICY, CONFEDERATION OF BRITISH INDUSTRY

## Frustration over 'bureaucracy-driven delays' on apprentice funding reform

Speaking to businesses and training providers in recent weeks, I have been struck by not only the degree of shared focus, but also shared concern when it comes to reform of our apprenticeship system. We need a system that is fit-for-purpose, so it's good that there is now broad agreement on large parts of a reform programme.

On funding, there has predictably been more concern, but the majority of people I talk to see the move towards directing funding straight to employers as right.

There are substantial concerns however about getting the mechanism right and — vitally — ensuring it is simple. We must spur companies of all sizes to get involved with the apprenticeship programme.

Giving business, not government, the consumer power is vital if the UK is to gain more effective skills development over the long-term.

Day one speaker

**Businesses want to be an empowered consumer, not training providers themselves**

No one knows better than businesses on the ground exactly what skills they need, so it's important they are given the power to demand that, rather than rely on the government to call the tune.

The apprenticeship system must aim to produce those skills that the economy needs now and in the future, and help individuals progress in life and work. The proposed reforms could be a major step in the right direction.

Why only "could"? Well, there is still a lot of work to do if the UK is to create a

world-beating apprenticeship system.

While the ideas on the table are promising, the principle of the Richard Review was that direct funding would come with a substantial simplification of the system.

To date, progress on that has been slow, with many companies frustrated by bureaucracy-driven delays associated with accessing some of the employer-directed funding that has been made available during this Parliament.

Businesses want to be an empowered consumer, not training providers themselves. Likewise, choosing between different funding models is impossible for firms when key elements, such as the levels of business and government co-investment — something which will have a massive impact on the success or failure of the system — have yet to be established.

When setting the level of co-investment there are two things the government must keep in mind: firstly, many firms already struggle to afford the initial costs of employing an apprentice, so any reforms must not deter them from taking part.

Secondly, businesses already invest significant resources into apprenticeships through internal mentoring, wages and work foregone. Co-investment is the correct approach, but it must be fair and encourage the growth of the apprenticeship system, not narrow its horizons.

The system cannot deliver the skills that the UK economy needs if it is restricted to just those large businesses who can afford to invest in apprenticeships — smaller firms must have a chance to play their role.

The government must put in the time and resources to work through the detail and the new standards, the funding models and support structures — all need to be trialled together to give a reformed system the best chance of success. If we get things right today then we can be more confident of delivering a leading apprenticeship system in the years ahead.



MICHAEL DAVIS

CHIEF EXECUTIVE OF THE UK COMMISSION FOR EMPLOYMENT AND SKILLS (UKCES)

## Don't put off during good times what you must do during bad times

Before working for the UKCES I was involved in a couple of businesses and one of the biggest lessons I learned was that the moment you thought sales would take off was also the moment to face up to your most difficult challenges.

Tempting as it was to 'paper over the cracks' in the face of an upward sales graph, my experience was that problems passed over in the good times became intractable headaches when growth ran out.

So to the economic fortunes of the UK, as the economy shows continued signs of recovery, now is the time to lean into some of our most pressing labour market challenges, of which three stand out.

First, the decline, over many years, in entry-level career pathways for young people and the overall decline in opportunities for young people to learn and earn — what we call the 'death of the Saturday job'.

There are simply fewer starting rungs for young people to get in to work in the first place and this is structural not simply a function of the recession.

Second, the challenge for those in work is of simply getting stuck. A combination of a host of factors, not least technology and globalisation risks 'hollowing out' the labour market and undermines the role of the workplace in supporting social mobility. Again, these are not new trends.

Finally, there are real skills shortages constraining growth and competitiveness of businesses — yet at the same time significant skills underutilisation.

In all three, business needs to take the lead, but working with colleges and training providers and for which there are no easy answers.

We know that even small jobs make a big difference in getting young people onto the first rungs of the ladder.

Mini-jobs, micro-work, earning while learning — however it's phrased, the idea that education and training programmes should have a real and authentic work-based component designed in by default would be our starting position.

The continual support for apprenticeships across industry and

government is what we should strive to capitalise on: good apprenticeships are full-time jobs with learning and progression — learning is embedded in the design of each role.

As to the middle rung, addressing this will call for new modes of delivery, better leverage of private and public funds and new models of accountability.

And at the top of the skills ladder we're

**Businesses want to be an empowered consumer, not training providers themselves**

encouraged by the fact that advanced apprenticeships and proposals for National Colleges will be delivering specialist skills in key industry sectors, aligned to a shared industry and government industrial strategy.

However, the pressure on public expenditure will remain — underlining the need to fully engage with businesses. The trick for success here will be to draw private money and public funds much closer together to co-invest in outcomes.

Specifically, placing employers in control of the design, delivery and funding of apprenticeships is essential. Through the current reform programme, employers have demonstrated leadership, creating a set of rigorous standards for a wide variety of highly skilled occupations.

We need to ensure that we move away from measuring the success of our skills system based on what we put in in the short term, and start looking at what we want to see come out in the long term.





# WE'VE TAKEN THE INITIATIVE... AND CREATED THE FIRST ENTREPRENEURIAL QUALIFICATION



Our Being Entrepreneurial qualification is an exciting new qualification that is the first of its kind. Providing a fresh approach of developing mind and skill sets into cross-curricular learning and ensuring learners have the entrepreneurial skills required in the world of work. It has been developed with the help and support of some of the leading entrepreneurs and employers in the country, which has enabled us to develop relationships with Youth Enterprise, CIC and YES Education to embed a more entrepreneurial approach to education to better prepare learners for the world of work.

At OCR, we firmly believe and support the opinion that young people need to be given every opportunity to be equipped with the ability to recognise and apply their skills to become employable. It is vital that young people have enterprise, entrepreneurship and employability skills embedded into their curriculum. This means not only will they be better equipped to work for themselves, but the skills and mind-sets learnt on their educational journey will feed into employment within organisations and benefit the employers there too.

Last year we consulted with entrepreneurs to develop the first suite of distinct entrepreneurial qualifications. We provide learners with the opportunity to find out about what it is to be entrepreneurial, as well as to consider what skills are needed to succeed within employment (e.g. problem solving, communication, research, evaluation, coping with change, etc). We believe it is vitally important to embed the entrepreneurial mind-sets (e.g. self-belief, taking initiative, risk-taking, determination, resilience/ attitude to failure, passion and energy, etc) that are invaluable to an individual, working as part of a team and to employers within education. Being Entrepreneurial is about developing the mind-sets and skills that breed success in whatever an individual decides to do.

So having developed the new Being Entrepreneurial suite of qualifications last year, we're not just stopping there...

OCR is taking the lead by actively working alongside entrepreneurs, employers and educators to develop new qualification offers and resources. Our aim is to ensure that by working together we can help learners to develop character, creativity and resilience, coupled with the opportunity to engage in real-life experiences within their local communities. This approach is providing a meaningful preparation for life and work, thus creating fully-rounded, engaged citizens of the future.

## FREE TRAINING COURSES

We are running 2 FREE teacher training courses; Leeds on 24 June and London on 8 July. To book visit our CPD hub at [www.cpdhub.ocr.org.uk](http://www.cpdhub.ocr.org.uk) quoting course code **BFBEAA**

To speak with our team who have worked with entrepreneurs and employers to build this unique qualification or to find out more, email [vocational.qualifications@ocr.org.uk](mailto:vocational.qualifications@ocr.org.uk) or visit [ocr.org.uk/beingentrepreneurial](http://ocr.org.uk/beingentrepreneurial)