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Policy report

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Teaching,

Introduction

Tess Lanning

The number of apprenticeships started in England each year has almost tripled over the past decade.[1] The Conservative Government sees apprenticeships as a tool to increase national productivity and improve the wage and employment prospects of individuals. It has launched an ambitious reform agenda to deliver 3 million apprenticeships by 2020 – up from 2.4 million in the last parliament – and at the same time raise the standards of training and assessment.

Apprenticeships traditionally provide structured routes into skilled work for young people entering the labour market for the first time. The time it takes young people to find stable employment after leaving education has got longer over the last three decades, as employers have become increasingly reluctant to hire and train young people. The problem is most pronounced for young people that do not go to university, and is exacerbated by the large number of low-level vocational courses that do not provide a platform for decent employment or further study (Wolf 2011, Independent Panel on Technical Education 2016). Apprenticeships have generally offered better employment prospects than other vocational qualifications (see BIS 2011), and have therefore become the preferred tool for improving the school-to-work transition.

More high-quality alternatives to the orthodox academic route through A-levels to university could also help to address the apparently diminishing returns from the expansion of higher education. Successive governments have focused on widening access to university as the primary tool for delivering the skills that businesses and young people need. University participation has grown from less than 10% in the early 1970s to almost 50% today. This increase in skilled workers has outpaced the growth in high-skilled jobs, and CIPD research has shown significant increases in the levels of over-qualification and under-utilisation of skills among graduates over the past two decades (Holmes and Mayhew 2015). The employment benefits of a degree vary significantly across different disciplines (see Edge Foundation 2015).

The Government's stated aim is for all young people to have the chance to either go to university or start an apprenticeship. However, the impressive increase in apprenticeships in recent years masks an acute lack of high-quality apprenticeships for young people. This collection of essays brings together academics, experts and key stakeholders to explore the policies and practices needed to improve the quantity and quality of apprenticeships for young people. This introduction provides an overview of recent trends in apprenticeships and the current policy context.

What is an apprenticeship?

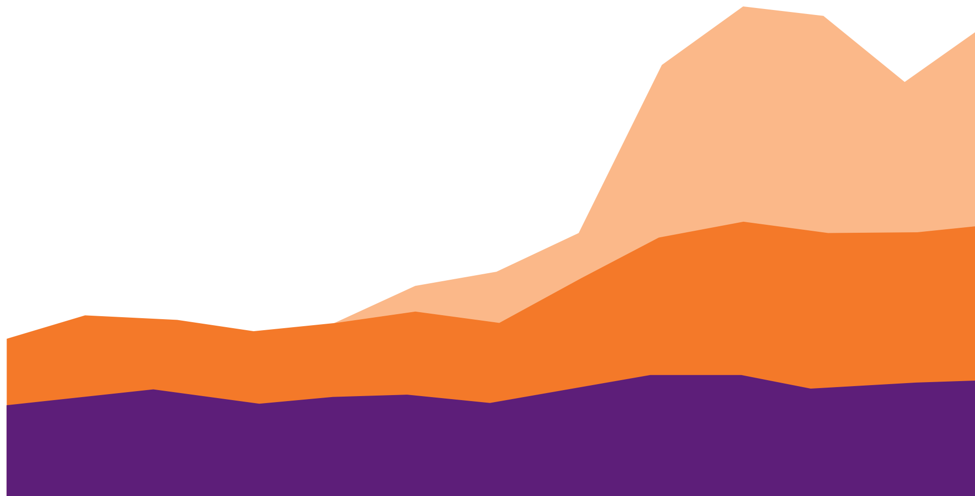
An apprenticeship in the UK is defined as a paid job with training that leads to a qualification. While many policy-makers emphasise their traditional role as a tool to train young people starting out in their careers, over the last decade the official statistics in England[2] have come to incorporate a broad range of different types of training for people of all ages. A decade ago, 99.8% of apprenticeship starts were taken up by 16–24-year-olds. Today, just 57% of apprenticeships are reserved for under-25-year-olds.

The last Labour Government made funding available for adult apprenticeships in 2004, arguing that adults entering work for the first time or returning to work after a career break should also benefit. The number of older apprentices remained relatively small until the first year of the Coalition Government, when cuts to the adult skills budget led providers to re-label publicly funded workplace training schemes as apprenticeships in order to retain funding (Keep and James 2011). Most (75%) of the growth in apprenticeship starts under the Coalition Government was driven by older workers – some of them approaching retirement. While the number of under-25-year-olds starting an apprenticeship increased by 24% under the Coalition, the number of over-25s increased by 336%. The number of over-60s grew by 753%, from just 400 in 2009–10 to 3,410 in 2014–15 (Delebarre 2015).

As well as being older, today the majority of apprentices across all age categories are

[1] Apprenticeship starts rose from 189,000 in 2004–05 to 499,900 in 2014–15.

[2] Skills policy is a devolved matter. Some of the issues discussed in this edited collection are common across the UK. However, the data presented here, and in the majority of the essays, focus on England, which is where changes to the nature of apprenticeship provision have been most pronounced.



existing employees rather than new entrants (Fuller et al 2015). Internal recruitment is particularly pronounced among over-25s, 91% of whom already worked for their employer before starting their apprenticeship, and in the newer, non-traditional apprenticeship sectors (BIS 2014). Asked about the shift away from young people, the Department for Business, Innovation and Skills has said that 'apprenticeships are jobs which involve high quality training to employees of all ages' and that 'research shows that apprentices and employers are highly satisfied with the training they receive' (quoted in Evans 2015). The risk, however, is that the use of apprenticeships to address a wide range of training needs limits their use as an effective tool to address problems with the school-to-work transition, or provide a viable alternative to the dominant academic educational route. Only about 6% of young people go into an apprenticeship when they leave school, and competition is intense among this cohort, with seven applicants for every place (Ofsted 2015a).

The focus on older and existing employees may also undermine the case for the strong educational content and structured work experience that are important for young people entering the labour market for the first time, but less so for adults who are already in work and have (in theory) been through the education system. In other northern European countries, apprenticeships provide young people with a broad academic and vocational curriculum that underpins long-term mobility and progression within a particular occupational pathway. They are level 3 qualifications (equivalent to two A-levels) that typically last between two and four years and involve significant on- and off-the-job training. The combination of work- and classroom-based teaching aims to encourage reflective learning and prepare young people for work and responsible adulthood (Bynner

What has driven the growth in apprenticeships?

The growth in apprenticeships has been driven by a series of ambitious government targets. Grants and wage subsidies have been provided, with money channelled through training providers tasked with recruiting employers. However, the drive for more apprenticeships has taken place in the context of a sharp fall in employers' investment in training. The average volume of training delivered by employers fell by up to 50% between 1997 and 2012 – with the fall most pronounced for young people (Green et al 2013). Pressure to deliver, combined with the increasingly loose definition of what counts as an apprenticeship, appears to have led to a focus on learners that are easier and cheaper to qualify.

Traditionally associated with the male-dominated skilled industries such as construction and engineering, apprenticeships today are much more likely to be found in the female-dominated, generally lower-skilled, service sectors. Almost three-quarters of apprenticeships are in three sectors: business, administration and law; health, public services and care; and retail and commercial enterprise. These sectors are characterised by relatively high proportions of lower-level courses and adult learners, and low levels of formal training. They recruit the highest proportion of existing employees onto their apprenticeships when compared with other sectors. In the retail and commercial enterprise sector, for example, three-quarters of apprenticeships are delivered at level 2, 79% of apprentices are internally recruited and more than a third receive no formal training at all. A recent study found that the wage returns to level 2 apprenticeships in retail, and to level 2 and 3 apprenticeships in health and social care, are non-existent[3] (Broughton 2015).

Table 1: Apprenticeship starts, 2014/15

Sector subject area	All ages	% 25+	% Level 2	% internal recruits (2014)	% receiving formal training (2014)
Business, administration and law	142,980	46	60	73	73
Health, public services and care	129,890	59	52	73	78
Retail and commercial enterprise	89,570	40	76	79	65
Engineering and manufacturing technologies	74,060	29	60	43	87
Construction, planning and the built environment	18,290	10	79	45	96
Information and communication technology	15,660	23	29	36	84
Leisure, travel and tourism	13,070	23	49	45	86
Education and training	7,450	58	33	–	–
Agriculture, horticulture and animal care	7,010	15	69	63	87
Arts, media and publishing	1,460	3	21	–	–
Science and mathematics	380	11	18	–	–
Unknown	80	88	–	–	–
Total	499,900	43	60	64	79

Sources: Apprenticeship Programme Starts by Sector Subject Area, Level and Age (2002/03 to 2014/15), gov.uk. Data on internal and external recruits and formal training from BIS (2014).

[3] The study compared the hourly wage premium for apprenticeship holders with employees in the same sector with lower qualifications or other types of qualifications at the same level.

An overview of the contributions to this volume

It is too early to judge whether the Government's reforms can reverse the long-term decline in workplace training and tackle the quality problems associated with the recent growth in apprenticeships. The contributors to this volume were asked to explore these questions, and to set out examples of best practice to inform policy.[6]

The first two essays examine the aims and objectives of apprenticeships, and what these mean for their content and structure. Alison Fuller and Lorna Unwin are not opposed to apprenticeships for adults, but argue that the focus on existing employees already competent in their roles has undermined their core purpose by failing to distinguish between apprenticeship training and basic job-related training that would have taken place anyway. They raise concerns that the current Trailblazer pilots may exacerbate rather than address this issue because they rely too heavily on the narrow skills needs of a few individual employers, and explore how a 'relational' approach could encourage a more ambitious long-term view of the needs of a sector, as well as building employers' capacity to organise better workforce development.

Alan Smithers argues that the focus on competence-based qualifications that test the ability of young people to do what is expected at a given point in time but do not specify training or course content is the cause of repeated failures to establish a functioning vocational pathway to support the school-to-work transition. Smithers suggests that the current umbrella approach, where a patchwork of different awards makes up an apprenticeship, has further undermined the development of a coherent training route that provides a platform into skilled employment. He argues that introducing distinctive national apprenticeship qualifications, with clear criteria for training, educational content and assessment that is tailored to the needs of different industries, would better meet the needs of young people and the economy.

We then turn to the Government's institutional reforms, and whether they can tackle relatively weak investment in skills among employers in the UK. The contributors disagree on this question. Ewart Keep and Susan James Relly argue that the levy is a blunt instrument unlikely to reverse employers' long-term 'retreat' from workforce training. The voucher system is not significantly different from the various incentives offered in the past. Whereas previously the money went to training providers, who then 'sold' the subsidy to employers, under the new system employers will be able to draw down money in order to contract training providers. Keep and James Relly note that it is possible some employers will simply write off the cost or, worse, take it out of their existing training budgets, leading to a reduction rather than an increase in workplace training overall. They argue that more focus is required on increasing demand for skills among employers and building their internal capacity to train.

In contrast, Douglas McCormick, chief executive of global construction firm Sweett Group, and Tom Wilson, former director of Unionlearn, the skills arm of the Trades Union Congress, are both optimistic about the new levy and argue that the reforms to better

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of work-based practice, training, and off-the-job further (or in some cases, higher) education. Practice, over time and under supervision to enable an individual to mature and reach the point where they can work without supervision and be accepted as a full member of an occupational community, is central to the concept. As such, apprentices develop new identities as they encounter and participate in the opportunities for learning afforded by their occupational community (Lave and Wenger 1991). In the dynamic context of contemporary workplaces, the 'community' has been extended to include customers and clients who play an increasing role in shaping the design of goods and services. Likewise, the concept of occupation should not be seen as static or limiting given emergent new work practices, changing conceptions of 'skill' and emergent occupational fields (Guile and Lahiff 2012; Payne 2000). Rather, its role is in providing an apprentice with a supportive, social, educative and cultural framework within which they can work with and learn from experts (Fuller and Unwin 2013a). As the apprentice gains confidence and develops expertise, they too can contribute to and influence the way work is carried out and problems are solved.

From our own research, we have developed an analytical framework (the 'expansive–restrictive continuum') to help organisations evaluate the extent to which they are able to create the conditions for supporting the aims and objectives of apprenticeship. Expansive characteristics can be summarised as follows:

- Apprenticeships are embedded within the broader business plan of the organisation and regarded as a key means to refresh as well as sustain core skills and knowledge.
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industry–provider partnership has been 'resilient to policy changes and has responded very effectively to the training demands of industry' (Ofsted 2015, p26). This is a much more sophisticated approach to developing employer and training provider capacity than the policy mantra of recent years that the system should be 'employer-led'.

So far, this essay has considered apprenticeship from the perspective of a model of skill formation with the aim of developing occupational expertise. In the next section, we discuss whether this definition still holds in the UK.

From demand-led to supply-led apprenticeship

Although the UK has had formally organised apprenticeship since medieval times, it came very late to the concept of apprenticeship as an institution within its government-funded education and training system compared with some other European countries (Clarke and Winch 2007). Nevertheless, since the initial flirtation with the concept through the introduction of the Modern Apprenticeship in 1994, governments have vigorously sought to mould apprenticeship to suit both their social and economic goals (Fuller et al 2013; Unwin 2010; Keep 2006). As such, apprenticeship has shifted from being a demand-led institutional arrangement between employers and individuals to a supply-led instrument of government policy. This change undermines the relationship that sits at the heart of apprenticeship and destabilises the expansive characteristics we listed in the previous section. It also helps to explain the pattern of apprenticeship registrations,[7] where adults aged 25 and over account for 43% of the total, 60% of apprenticeships are at level 2, and the vast majority of apprentices work in health and social care, business administration, and 'management' (Delebarre 2015).

Today's apprenticeship bears the hallmarks of the youth and adult training programmes introduced from the early 1980s onwards in response to a rapid rise in unemployment (Unwin 2010). The emphasis remains focused on getting people into jobs and on accrediting existing skills to increase the volume

and over) – there is a strong case for adults to have the opportunity to retrain in a new occupation – or against the importance of adults being accredited for their expertise. Rather, we are calling for recognition of the fundamental difference between apprenticeship and the type of training that anyone should expect to form part of a job, including an assessment of one's existing skills at induction.

Given the absence of substantive training in many apprenticeships and concerns about the content of some vocational qualifications, there is an important question to be asked about whether it is acceptable to have no differentiation between apprenticeships for young people and adults. If you are training to be a plumber as a 16-year-old or a 50-year-old, you will be required to achieve the same qualifications over the same length of time. In some other European countries where apprenticeship is located within the national education and training system and is regarded as a pathway for young people, apprentices have to continue studying general education subjects including maths, sciences and languages at the same level as their peers in full-time school. In the UK, if apprentices have not already attained GCSEs in maths and English at grade C or above, they have to pass online tests in functional skills (at a level below the vocational qualifications in their apprenticeship), though it is recommended they be offered the opportunity to study for GCSEs. Although the current Conservative Government has been advocating the strengthening of maths and English, there is a fierce debate between the supporters of functional skills and those who argue for a more European approach (see Education and Training Foundation 2015 for a review). In the latter camp, Andy Green (1997) has argued that the former can only ever be a 'surrogate' for general education and could never be more than a poor substitute. In advocating for the inclusion of broader academic content within vocational education, Green locates his argument in the historical and class-based development of English education, which has always separated vocational education from general education (Bailey and Unwin 2014).

Those who advocate limiting the amount of general education within apprenticeships argue that many young people (and indeed adults) are attracted to work-based training because it is significantly different from school. We would argue that there is a strong case for broadening the content of apprenticeships for young people to ensure they are stretched, build a platform for further progression, and provide qualifications that have currency in the labour market as well as the education sector. This does not mean creating artificial walls inside apprenticeships. Rather, the answer lies in providing a hybrid approach that combines technical content, disciplinary knowledge and practical training through pedagogical practices in which imaginative teachers and trainers identify and develop apprentices' understanding and experience of the symbiotic relationship between, and necessity for, theory and practice.

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approach starts with a conversation between a provider and an employer about the pressures and possibilities in the business environment, the way goods and services are produced, and the organisation's plans going forward. That the conversation involves vocational teachers and trainers from the outset is important for: (a) ensuring that conceptual and theoretical foundations underpinning the occupational field continue to form the backbone of any training programme, including apprenticeship; and (b) to enable the teachers and trainers to keep up to date with work processes so that they can design programmes that re-contextualise both theory and work practice in ways that help apprentices make connections between the two.

Through informed conversation and the use of analytical tools such as the Expansive–Restrictive Framework, providers and employers can evaluate the extent to which a workplace is ready to make the shift towards becoming more highly skilled across all levels of the operation. In the case of employers who are ready and eager to make the shift, they are able to co-produce training programmes, including apprenticeships, that stretch and build the capacity of everyone concerned. In the case of employers who are reluctant to shift away from their current mode of operation, an important part of the conversation will explore whether they are currently able to provide the right environment for apprentices and the steps they can take to enable apprenticeship to become part of their business strategy (for more details of how this approach is being used in practice, see Fuller et al 2015b). Replicating the relational approach on a much bigger scale will require a national programme of peer support led by providers and employers who run quality apprenticeships.

The current apprenticeship reform process has not been framed as a relational approach. As the Government's guidelines for setting up Trailblazers stress, the process puts 'employers in the driving seat', so apprenticeships will be based on standards designed by 'employers working together' (BIS 2015, p4). The guidelines address employers as the only readers of the document, as in this passage, for example: 'By getting involved in developing the standards for occupations in your sector, you will have the opportunity to define the KSBs (knowledge, skills and behaviours) you require in your future workforce' (ibid, p5). One of the criteria that potential Trailblazers have to satisfy is that they can show that other stakeholders'such as sector or trade bodies, professional bodies, training providers or industry training boards have been invited to support the process by the employer leads rather than leading the process themselves' (ibid, p11). While the guidelines do state that employers are strongly encouraged to engage with training providers throughout the development process, this is seen as being more important as the standard gets closer to the point of delivery. The main role of providers and other bodies is to help promote the standards to employers in the sectors they cover. Oddly, the document then returns to the old demand–supply model with employers as 'customers' seeking the best price for their training needs from providers. Without a relational approach, the danger is that providers are more likely to adopt a default position of offering 'conversion' style apprenticeships and mainly assessment-led forms of delivery which bring in the numbers, but require little from employers by way of training. This lack of ambition means that despite the aspiration of the Trailblazer initiative, quality will continue to play second fiddle to quantity. We have long argued that employers need to play a much more proactive role in the design, delivery and funding of apprenticeships. Moreover, the national standards for apprenticeships must reflect the skill requirements in contemporary workplaces. They should, however, also look to the future to ensure apprentices and their employers push their expertise beyond the here and now. To achieve this, we need a relational approach involving a range of experts whose goal is to keep the conversation alive and receptive to new ideas.

It follows from our critique that a process of reform that has quality at its heart is likely to lead, at least initially, to a smaller, more focused apprenticeship programme. However, if a commitment to quality were to be extended to the creation of all government-funded programmes, including separate provision for entry-level initiatives and adult skills, arguably this would generate a system tailored more closely to the requirements and needs of different individuals, employers and the UK workforce more generally. To achieve better quality, we need to build capacity within workplaces, vocational education and training organisations, and government itself so they can create and promote the expansive conditions in which apprenticeship thrives. As a result, apprenticeship would reclaim its role as a distinctive model of skill formation of benefit to employers, individuals, the economy and society. It is a model that sets a high standard and should not be reduced to a catch-all term for any form of training or certification of 'competence'.

The current apprenticeship reforms are the most recent in a long line of attempts to put in place a national, respected and attractive route from school to employment. Apprenticeships are also the big hope for rescuing Britain's skills base. But will they be any more successful than the many previous attempts over the past 40 years, or are the same mistakes being made?

The Government confidently hopes apprenticeships will be popular with both trainees and employers: with trainees because they will become the passport to well-rewarded jobs, and with employers because they will attest to the quality of the performance that can be expected. There is also an underlying political purpose in that during the Coalition Government the proportion of young people who were neither employed nor in education or training rose to record and embarrassing levels (see Delebarre 2016a). This essay argues that an integrated training pathway, driven by the introduction of new national apprenticeship qualifications,

They were ideal for people already holding down a job. But without a defined training programme they were not much of a ladder from school to work. The Government of the day tried to rectify this by asking NCVQ to create General National Vocational Qualifications (GNVQs) suitable for teaching in schools and further education colleges. But they were similarly specified in terms of outcomes, deliberately shunning any reference to courses or training programmes. It was envisaged that GNVQs would soon replace BTECs, but that awarding body fought back and it was GNVQs that lost out, to be replaced by the more academic applied GCSEs and A-levels. The NVQ revolution qualified a lot more people, but left the country still without the motivating high-quality occupational training programmes for school-leavers.

This is where the modern apprenticeship system came in. Faced with the frequently voiced concerns about skill shortages, the Major Government, in 1994, sought to capitalise on the prestige attached to traditional apprenticeships[8] by appropriating the name to a new scheme for getting young people into work. Initially, apprenticeships were for 16–24-year-olds. They were conceived of as frameworkseiv(4-)15.1(y)5ualificatio, m2(a(tltha)5(n the)]TJ T* (-le).1(v)27(ed oei15.1(d GCSEeivd A)34(-l

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in August 2012 and resulted in a drop in starts in 2013–14 of 80,200 (15.4%) from the high point of 520,600 in 2011–12. There were other reforms too (see Department for Business, Innovation and Skills (BIS) 2013). Apprenticeships were still very much a work in progress, with starts by 16–18-year-olds flat-lining and take-up by people already in work burgeoning.

Apprenticeships today

Modern apprenticeships have been continually honed over a period of more than twenty years. Are they now that elusive prestigious pathway from school to work that has been long sought? David Cameron was sufficiently confidus

apprenticeships to become integrated tailored training programmes. We can take the requirement to provide catch-up in maths and English as an example of the advantages of this. The Government favours GSCEs as the means for ensuring that the trainees meet at least minimum standards in these core subjects. This leaves trainees who have struggled with these exams at school facing, in the worst-case scenario, the prospect of having to take them again and again to complete their apprenticeship. The new beefed-up GCSEs will put passing them even further out of reach. There has been a functional skills qualification as an alternative, but the Government is discouraging its use since it believes it lacks the currency of GCSEs.

The trouble with both the GCSEs and the functional skills qualification is that they are general in intention. Having passed them as academic subjects does not mean that you will be proficient in them in your line of work. In the admired German system, maths and languages are taught within the occupational field. Apprentice plumbers, for example, are taught the maths needed as plumbers by teachers specialising in teaching maths to plumbers. The trainees usually become very adept in what they have to master in order to qualify, even though they may have had a poor record in it as an academic subject. Studies going back many years have found that German pupils on apprenticeships perform much better in arithmetic than higher-ability pupils in England on academic courses (for example, Prais and Wagner 1985).

When I was seconded to BP for a year in the early 1990s, I saw at first hand the enormous improvement in performance that is possible when core skills are taught in an applied context. Under an EU scheme, the company in Belgium had received funding to train unemployed young people to be taken on as operatives. A school was contracted to bring the young people up to the necessary standard in maths, science, the mother tongue and English. While the school was delighted with the kudos and money, it groaned audibly when it saw who it was being asked to teach. They were mostly the pupils the school had been only too pleased to see the back of a year previously. But the school was amazed at the transformation. When the young people could clearly see the purpose and relevance of what they were doing, they applied themselves diligently. Of the 14 young people who set out, only one was not given a position by the company.

A distinctive qualification would also give apprenticeships a clear identity and provide a focus for careers advisers. It would almost certainly make them more attractive. At present, many trainees are taking some form of vocational training outside of apprenticeships. Many of these would be likely to be drawn in by a recognised national award. Conceivably, this could be made even more attractive by, in the manner of degrees, bringing an entitlement at some levels to put letters after the name.

National apprenticeship qualifications would be something encapsulating achievement that successful completers could show to potential employers. Life would be easier for employers, too, because they would not have to wade through numerous vocational and other certificates. The problem of how best to

The trouble with both the GCSEs and the functional skills qualification is that they are general in intention.

accredit maths and English in apprenticeships would go away because they could be seamlessly fitted into the training programme and qualification.

An earlier version of these thoughts was published in the Independent in June 2015 (Smithers 2015). In the words of the headline writer to that article, if the Government is to achieve its drive for 3 million apprentices, the Prime Minister 'will have to

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3 Employers and meeting the Government s target: what could possibly go wrong?

Ewart Keep and Susan James Relly

Since the General Election, apprenticeship policy has assumed a new, further heightened prominence. With the Conservatives' manifesto pledge of 3 million apprenticeship starts between 2015 and 2020 – subsequently backed by the announcement of a compulsory, UK-wide apprenticeship levy to fund reforms – apprenticeships have become the 'big ticket' item in skills policy. Indeed, Martin Doel, leader of the Association of Colleges (AoC), went so far during the AoC 2015 National Conference as to argue that the Government no longer possesses a fully worked-up skills strategy, it simply has an apprenticeship strategy. Lest this be thought an extreme view, it should be remembered that government ministers have repeatedly expressed the view that their long-term aim is to achieve a simple, binary education and training world wherein all young people either enter university or an apprenticeship.

As a result, apprenticeship reform has become a high-stakes area of policy. As the authors have noted in the past (Keep and Payne 2002, Keep and James 2011, Keep 2015a), the roles of employers within the apprenticeship system, and their reactions to reforms, are utterly critical to the success or failure of what the Government intends. This essay therefore highlights some of the potential challenges and pitfalls that policy faces in general, but also specifically in relation to employers.[11]

Owning the target

The first problem is that, as ever, despite the usual rhetoric about apprenticeships needing to become 'employer led', the Government has unilaterally and with no prior consultation set an over-riding target for expanding apprenticeship numbers. As the House of Commons Business, Innovation and Skills (BIS) Committee noted, 'the Government has not consulted with, or considered the impact that this policy will have on, industry … and we are concerned that this is a decision that has been made with no consideration for what type of training businesses actually want to facilitate' (House of Commons BIS Committee 2016, p17). Firms thus have no prior ownership of or investment in this figure. Politicians have set it and employers are now going to be forced to pay to meet it (see below). This is hardly an ideal starting point for delivering reforms that depend on securing enhanced employer buy-in.

In addition, one of the dangers with politicians making targets the centrepiece of any skills policy (see Keep 2006, 2009) is the tendency that once the target has been set and announced, policy shrinks down to become simply meeting the target, at no matter what cost. If progress towards the 3 million flags, trade-offs between quality and quantity will doubtless loom, as they did under the early years of the Coalition Government, where the decaying remnants of Labour's workplace training programme Train to Gain morphed into adult 'apprenticeships' at level 2 which largely consisted of accrediting the pre-existing skills of adult employees. This is an issue we will return to below.

The apprenticeship levy fallout from the nuclear option?

Having won the General Election, the new Conservative Government decided that the voluntarist approach to training, originally adopted in 1981 under Norman Tebbit and Margaret Thatcher, and maintained as a central tenet of policy (despite occasional wavering) under New Labour, was finally to be abandoned. The decision to opt, with no prior consultation, for a compulsory apprenticeship levy on larger companies reveals an unspoken but massive tension that now lies at the heart of apprenticeship policy. As noted above, government wants apprenticeship to be owned and led by employers, but the imposition of a compulsory levy is an implicit acknowledgement that, left to voluntary choice by firms, there

[11] This task has been made more difficult by the fact that many central elements of the Government's plans remain to be developed in any detail. In the space available, we cannot cover every topic, and even those we do cover may not be afforded the coverage in detail that they deserve. The essay should be read in conjunction with other relevant research by the Centre for Skills, Knowledge and Organisational Performance (SKOPE). See, for example, Keep 2015a and 2015b.

was little or no chance that they would have been willing to 'own' apprenticeships by paying one third of the cost of each apprenticeship place up front, as the Government's reform strategy had assumed. With further cuts to public spending looming, this gap had to be filled.

In a sense, this realisation reflects a broader, more fundamental problem. The state desires a general step-change in training investment by employers, and for many years policy has been predicated on bringing this about, but the harsh reality is

The underlying problem, which it has proved exceedingly hard for government to acknowledge, still less address, is that demand for skills in our economy is low by international standards. The Organisation for Economic Co-operation and Development's Adult Skills Survey (OECD 2013) shows that the UK finishes 21st out of 22 developed countries in terms of the level of demand from employers for workers qualified beyond compulsory schooling. In some sectors demand for the kind of craft and technician skills apprenticeships can best supply remains high (for example, engineering and electrical contracting), but the uncertainty caused by Britain's exit from the European Union could hit these traditional apprenticeship sectors, and across large swathes of the service sector (which is where the bulk of apprenticeship provision is now actually located) demand for skills, particularly at higher levels, is limited. This does not bode well for government plans. In this sense, the 3 million apprenticeship starts target is simply yet another in a very long line of attempts by policy-makers to boost skills supply without first addressing problems on the demand side (Keep et al 2006, Keep 2015a).

Moreover, alternative routes to delivering the skills employers may need are also concurrently in play in the policy arena: national colleges, institutes of technology, a new engineering-based university in Hereford, new technical and professional education (TPEs) to be delivered through greater specialisation within existing further education colleges, and so on. Doubtless apprenticeships, particularly at higher skill levels, will feature in these institutions' pattern of provision, but an employer could be forgiven for thinking that if they do have intermediate and above skill needs, there is a reasonable chance that someone else might be stepping in to provide them.

Quality versus quantity?

A second set of problems centre on quality. A significant number of current apprenticeships do not meet the minimum quality thresholds set for them (see Keep 2015a). It is therefore an open question whether either employers, or more importantly training providers, will find it easy or attractive to deliver the new, more costly and demanding standards that the reformed Trailblazer standards will bring with them. For example, the specification of a day a week off-the-job training has massive cost implications for employers in sectors such as hospitality and retail, where to date the vast bulk of apprenticeship learning has been in the workplace and on the job. Survey data suggests that in 2014, 26% of employers admitted to offering their apprentices less than three hours per week on activities that were not part of their job role (Shury et al 2014), and 20% admitted that their apprentices

enhancement from that hitherto adopted in England. After more than 20 years of ongoing reform, it is not unreasonable to ask why so little has been done to establish well-founded sectoral or occupational institutions that might regulate and improve apprenticeship provision.

There are two, interlinked reasons.

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Unions and apprenticeships have a long history. From the Middle Ages the guilds were a form of early trade unionism: skilled workers banding together to promote their trade and defend standards and wages. An essential job for the guilds was to regulate entry and hence oversee the apprenticeship system, subsequently formalised by the state as lasting seven years in the 1563 Statute of Artificers and Apprenticeships. The Industrial Revolution put this craft system under intense pressure, and in 1814 apprenticeship status was abolished for any occupation not covered by the medieval statute. Basic rights that limited apprentices' hours to 12 per day and ensured they were taught reading, writing and arithmetic were repealed.

The early unions and chartists fought these changes, and have since played a key role defending rights for apprentices and seeking to prevent employers using them as cheap labour. For the past 500 years, unions, employers and governments have debated, argued and legislated on issues about the pay, length, educational content and funding of apprenticeships, and these same issues are at the heart of union debates today.

Arguably in recent years some unions had become less involved in skills policy issues and focused more on meeting the acute challenges of jobs, pay and conditions. But this is changing. There was a resurgence of interest within unions during the 1990s, culminating in the 1997 establishment of new legal rights for the new concept of a union learning representative to promote learning in the workplace. In 2006 the Trades Union Congress (TUC) set up Unionlearn to manage the newly established government-funded Union Learning Fund and support access to training for union members. There is growing recognition by government and employers that unions can and do contribute to the debate about apprenticeships (see, for example, Cable 2013 and Hancock 2014).

So if unions are returning to playing a major role in skills policy and delivery, as they are in most other industrial economies, what do they want? What do they offer? And what role should unions play in the apprenticeship system?

The key challenge

The right institutional environment for apprenticeships must balance the long- and short-term needs of employers, unions, government and providers, with input from

but young people need the chance to move between employers. Leaving the design to individual employers risks a further drift towards narrower and shorter apprenticeship frameworks. Some of the new standards being set through the Government's Trailblazer standards have been set through consultation with a broad range of employers. Others (for example in aerospace and automotive) have been criticised for involving too few employers.

Good employers see beyond their own short-term skills needs to the longer-term needs of the firm and the sector, and recognise the value of working with unions and other stakeholders to achieve this (see, for example, EEF, quoted in Husbands 2013). In many other countries there is input from

shorter, pay rates are closer to the legal minima, and the rate of progression is much lower than in most other countries. There are also high levels of non-payment of the minimum wage. The 2014 apprenticeship pay survey revealed that one in seven apprentices and nearly a quarter of 16–18-year-olds studying at levels 2 and 3 were paid below the relevant minimum wage rate.[14] Non-compliant pay was most common among apprentices in hairdressing (42%), children's care (26%) and construction (26%) (BIS 2014).

In fact, the UK system more closely resembles Estonia and Cyprus, where most apprentices are entitled only to the minimum legal wage, as are other workers, but the rate is very low and there is considerable anecdotal evidence to suggest that some apprentices are paid even less than the agreed rates. Should the UK apprenticeship system be closer to Estonia and Cyprus than Germany? To which economic model do we aspire?

Summing up this picture, there are three key points.

First, there should be a properly enforced legal minimum apprenticeship rate. But what also matters is the increase beyond the minimum. Unions in the UK have historically supported and recognised the trade-off described above. It is important that the starting rate is not so low as to cause hardship or make it practically impossible for young people to embark on an apprenticeship, but if employers were compelled to pay apprentices the same as other young workers they may avoid recruiting apprentices or seek to reduce the relatively costly and unproductive training element of

In Germany it is a common culture which supports the system and motivates employers, not the compulsory levy operated by the Chambers of Commerce. Studies

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5 Sector-led approaches to raising apprenticeships: an employer s perspective

Douglas McCormick[16]

High-quality apprenticeships for young people are an excellent way of meeting the needs of businesses and learners alike. Businesses exist to make money and it should be made clear that industry's interest in apprenticeships is not primarily altruistic. As the UK exits the largest recession for a generation, employers across many sectors are running to catch up and train workers to meet new demand. While the effect of Brexit has, of course, yet to be determined, this current demand for skills provides opportunities to hit the Government's target of 3 million apprenticeships by 2020. But we need to do this in a meaningful way, with supply driven by demand and training that is delivered to a high standard.

This essay draws on my experience of more than 30 years working in the construction and rail industries and my role as a Commissioner at the UK Commission for Employment and Skills (UKCES). I argue that sectoral approaches, co-ordinated by industry-led bodies and underpinned by strong national standards, are the best way to support more employers to offer high-quality apprenticeships for young people.

> We need to look closely at how our apprenticeships are delivered and ensure more consistency in the standards of apprenticeships across different regions and sectors.

that can impact on their pay and employment prospects later in life. We cannot afford to see potential go to waste. We need to be flexible in our approach to suit the needs of different young people. Disaffected pupils may be more suited to learning in a workplace environment, and may do better when supported through a structured apprenticeship than they do in conventional schooling (see Smithers, this volume). Day-release schemes run in partnership with local colleges provide the educational content. In the best apprenticeships, young people can start at NVQ level 3 and progress through to level 5, while earning a regular and stable income.

Delivering quality apprenticeships

We need to look closely at how our apprenticeships are delivered and ensure more consistency in the standards of apprenticeships across different regions and sectors. As part of a UK-wide, holistic approach to developing apprenticeships and meeting the Government's 2020 target, national standards within sectors should be established so that an apprenticeship from England is worth the same as an apprenticeship from Scotland, Wales or Northern Ireland. This consistency across the devolved nations is critical to ensuring that the skills gained are transferrable across the country. It is counterproductive to put up geographical barriers for sectors seeking to address skills shortage vacancies, which are the driving factor behind industry's interest in training.

There are also too many token qualifications that short-change our young people and have limited impact on productivity. Looking internationally, there are lessons to be learned from countries such as Germany and Denmark, which offer a broader training approach, in contrast to England, which too often focuses on specific skills at the expense of wider subject knowledge. A 2010 report examining the differences between bricklaying qualifications in Europe noted that the elements comprising the English NVQ level 2 are 'narrow in scope with little integration between them' (Brockmann et al 2010, pp11–12; see also Clarke and Winch, this volume).

Delivering apprenticeships needs careful planning. We need to consider how to develop well-rounded apprentices with skills in the areas that we need most. This is not about reinventing the wheel. We know apprenticeships work. It is about making them the best they can be, and finding ways to support more employers to offer high-quality apprenticeships. I want to encourage industry bodies, government and training pronmens to work with employers to develop a co-ordinated approach that meets the demands of industry and our economy. We need to make it simple, easy and attractive for employers to get involved with delivering apprenticeships. The Government should work to devise a central framework of what an apprenticeship is and, broadly, how it should be structured. This would impronmene consistency and clarity, and help to define the increasingly broad range of programmes across further and higher education that count as an apprenticeship.

To create 3 million apprenticeships by 2020 in a meaningful way, we must ensure that we attract the right people and build a positive ethos around apprenticeships. I am delighted that Sweett Group is included in the Top 100 Apprenticeship Employers List (Skills Funding Agency

2016). Government-endorsed accolades such as this are important in raising the profile of apprenticeships, not only to attract employers to consider delivering apprenticeships, but also to inform young people about the options available to them.

Financing apprenticeships

Funding for apprenticeships has traditionally been driven by training providers and has not been aligned with strategic sectoral priorities. As such it has been notoriously disjointed. In contrast to most other sectors, construction has a long-standing funding structure that enables employers to pool their resources to tackle collective skills gaps and deliver efficiencies of scale. The Construction Industry Training Board (CITB) administers a levy on all of its members (mostly contractors) with a wage bill over £80,000 a year. The funds are then distributed back to members through grants issued for particular training activities, including support for apprenticeships. The levy is collected from employers through the PAYE system at 0.5% for direct employees (CITB, no date). When administered well, levies can be an effective way of boosting training activity, as the grants help some small and medium-sized enterprises (SMEs) that may not otherwise be able to afford it to deliver training to their staff, with larger companies subsidising their training.

The Government's new apprenticeship levy, due to be collected from large employers (with a payroll of more than £3 million) across all industries from 2017, aims to address the inconsistency of training across sectors. It will hopefully succeed in delivering a co-ordinated approach to training our young people through quality apprenticeships. The Government is keen to learn from existing levy systems, and where possible seek to integrate them with the national levy. Employers should welcome this change, as it will fully ingrain the concept of apprenticeships into the UK workplace, put smaller companies on an even footing, and give young people in all regions a chance to find a quality apprenticeship.

The new apprenticeship funding system must work for employers of all sizes, and provide incentives for industry to develop a demand-led system. Policy-makers should strive for consistency of access to funding across all employers. The fact that the CITB levy is not extended to Northern Ireland highlights the baffling disparity between the offerings across the country. Large employers liable to pay the new levy are being incentivised with the promise of being able to get out more than they put in. This benefit must materialise if we are to foster a positive and sustainable apprenticeship culture with employers.

The key to a successful levy funding structure is not necessarily how it is collected, or who administers it. It is how it gets spent. The Government should ensure that funds are assigned to schemes that demonstrably deliver high-quality, useful apprentices. It is essential that the provision for apprenticeships in science, technology, engineering and mathematics skills are prioritised by the Government. The funding distribution should reflect this, so that the UK can continue to compete on the international stage in these areas as well as meet the demands of a growing population. Conversely, the Government should actively remove funding from schemes that are failing to deliver apprentices that benefit our businesses and the wider economy.

Finally, a history of 'policy churn', with new institutional reforms and funding systems developed under each new administration, has resulted in an uncertainty and confusion that can be a deterrent for employers considering delivering apprenticeships. Once high-quality apprenticeship schemes are established, the Government must work to achieve policy stability. We must develop a plan and stick to i* [(busines)benwi

penalising those businesses and employers who want to take a sectoral approach' (2015, p3). I believe we also need to look at ways to deliver sector-based training, with specialist training organisations collaborating with the private sector to deliver schemes. This approach already happens in some places, such as many of the long-running schemes led by Group Training Associations (see Fuller and Unwin, and Wilson, this volume) and, more recently, the aforementioned Trailblazer Apprenticeships. Schemes of this nature support employers to work together to shape the content of a course, ensuring that apprentices have a broad understanding of their sector as a whole.

Conclusion

In conclusion, from an employer's perspective, our drive must be towards a demand-led model, with a consistent approach to delivering and accrediting high-quality apprenticeships that benefit the apprentices, their sectors and the broader UK economy. Within specific sectors, industry bodies should work with employers to establish skills training requirements and work to ensure that these are delivered to a consistently high standard in all regions. Employers should be able to hold training providers to account and drive up standards by being selective in their choice of provider. And, across all sectors, government should play a role in establishing and enforcing standards and in ensuring a quality and sustainable apprenticeship structure that works for our young people.

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During the 2015 General Election campaign, the Conservatives pledged to spend Deutsche Bank's LIBOR fines on creating

1970s and 1980s. The number of apprenticeships in manufacturing, engineering, construction, mining and shipbuilding fell as rapidly as jobs and firms did. So too did apprenticeships in the public sector, as the works departments of councils were replaced by contracted services.

Today, politicians still describe apprenticeships as primarily for

Cable proposed the foundation of a series of new, specialist national colleges to deliver higher-level vocational skills, and advocated higher apprenticeships as an 'important solution to the sub-degree gap'. Also in the run-up to the 2015 General Election, Ed Miliband emphasised the need to reform the existing education system, rather than set up new institutions. He committed to make new employer-backed 'technical degrees' the priority for expansion within higher education and reform FE colleges into a network of Institutes of Technical Education to help deliver specialist vocational training (Labour Party 2015). Since the election of the Conservative Government in May 2015, the focus has continued with further expansion of higher-level or 'degree' apprenticeships, supported by a £10 million fund (BIS and Javid 2016) and the pledge to create new Institutes of Technology (HM Government 2015).

Evidence from the Organisation for Economic Co-operation and Development (OECD) suggests

programmes will catalyse all sorts of benefits across institutions even if they start with relatively small cohorts.

Economic uncertainty over 'Brexit' could affect traditional apprenticeship sectors in the years to come, but the reforms to devolve more power and resources to local areas have the potential to support a more joined-up approach. All city-regions signing devolution deals are prioritising skills, and particularly in key sectors and at higher levels, as they prioritise local economic growth. Cities such as Manchester and Birmingham (and their wider combined authority regions) have more appetite for organised investment and support for sector growth and high-level skills than Westminster policy-makers do. With new powers over adult skills and capital funding, as well as the ability to support additional investment through retained business rates, cities and their new elected mayors may be an important source of system change in technical education. More so if they are able to work with universities and other employers in the public and private sectors that will be paying the apprenticeship levy. A key goal should be to actively broker the relationships between these stakeholders to encourage the collaboration that underpins the successful partnerships such as

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As Vice-Chancellor of Sheffield University, founded a century ago by local people determined that their industrial city should put the highest-quality education 'within the reach of the child of the working man', I have more than a passing interest in whether or not my university can still claim to be delivering on this promise.

I am also a vice-chancellor at a time of major change in UK higher education. We are living through an era in which half of school-leavers are heading for university, and paying a heavy price for the privilege. Increasingly, university is marketised and education is defined as a private investment in which young people are drawn to status and brand. Families believe a conventional university degree is the only gateway to future success, while at the same time the decision to triple tuition fees means that they worry about how they will bear the cost. On top of this, the UK's decision to leave the European Union will have profound effects on higher education, some of which are already being felt, and some which will take years to manifest.

But are we really giving the young what they need? And what about the country as it charts its own path outside the European Union? What about those who are bright and full of promise but who come from backgrounds where taking on the scale of debt now associated with university is unthinkable? What about the other 50%? I worry about these issues, and I think we all should. I am not just a vice-chancellor. I am also a parent. I have extended family members in the deprived former mining valleys of south Wales. And I am a teacher. I care what we teach, that it is the right thing.

Throughout my career teaching physics in the US, at Imperial College in London and then for two decades at the University of Oxford (where I had myself been a student fully funded by a very different system), I have been privileged to work with many remarkable young people. I have seen firs2(t)13

secret to future success. They will need apprentices with the skills of the future, and they will pay to create and keep them.

For Sheffield University, this investment reflects our core purpose and responsibilities to society, and it is not cheap. We

system, actively discourage us from taking students from disadvantaged backgrounds. We take a hit for doing the right thing.

The final barrier is, as is so often the case, cost. Our apprentice training draws companies to invest in the region, but the university subsidises it through other work. We know this training cannot be done on the cheap, and we owe it to the students that it is not. We do not do it because of a market to offer bargain-basement skills qualifications. We invest in this because it is right and we will not lower our standards. But we should not be in this position. Governments sometimes request the very things they make difficult. Funding for higher vocational places within universities should offer a premium for quality.

Who is our system of education for?

Remember I said that the University of Sheffield was founded to provide the best education for the child of the working man. So who is university for today?

Sheffield's AMRC apprentices are truly inspirational, and other places are looking on and wanting the same. BAE Systems are talking to us about creating another training centre in the north-west of England. Boeing is working with us to support their activities in Oregon. I recently hosted the vice-chancellor of the University of Cambridge, who wondered how the model could help to grow a skilled workforce in an area with a shortage of scientific technical skills and very low unemployment. There is interest in our model of apprenticeships from Birmingham to Korea.

We are also talking about setting up new partnerships to deliver high-quality apprenticeships in Wales. This is a big deal to me personally because it reminds me of my own roots in a mining valley in south Wales, and what my own father told me about technical and vocational skills: that it was not only British industry which suffered by separating out academia and the mind from making real things, but also the communities in Wales that were ravaged by the loss of industries that provided decent jobs and training.

Recently on a visit to our apprentice centre I looked onto the training floor and saw a small group of young men wearing red t-shirts rather than the usual blue ones that bear the logos of the sponsoring companies and our university. When I went to talk to the group, who were working with one of our expert trainers, I found out that they had been referred by the local Jobcentre. As we talked, the young men showed me what they had been making. Each of them glowed. The pride as they demonstrated new knowledge and skills was palpable. The trainer confirmed to me how impressed he had been that every young person in the group was full of potential. He had given them a rigorous and testing challenge and all had succeeded. All wanted more. Yet this handful of young men was only with us by chance, released for a short period into a world of new opportunity. How many more were sitting at home watching daytime TV? I was deeply struck by a sense of responsibility. We – educators and society – were letting these people down.

We need to think hard about how we spend precious educational resource. I do not want to narrow access to university to make it more affordable or to preserve the quality of the elite. I want to expand opportunity to the whole of our society, but in a way that meets real need head on and which is not afraid to rethink our approach.

We need to challenge the fundamental misperception in society about the division between academic knowledge and applied learning. We also desperately need a rebalanced economy with a thriving industry capable of making long-term investments in people, knowing that they and we will need their skills to create a competitive edge for the UK, especially if we are to navigate life outside the European Union – one which will see us restore jobs and industries, drive innovation, construct major infrastructure projects and export to the world.

What future do I want to see for the higher education sector? One with more diverse and high-quality pathways for young people, where students choose courses of study because they are right for their futures. I want to see a system of funding not built on privatised debt. I want students to be able to earn and learn, or to choose positively to apply for a job with training in a thriving economy. The kind of future we need for Sheffield to be the engine room of the UK, the industrial heart of the promised northern powerhouse. And it is needed in other regions too.

There is no greater waste than lost potential in young people. We owe it to our students and apprentices, and to ourselves and the future prosperity of our nation, to try to be part of building something better.

It is a commonplace of political rhetoric for at least three decades from all parties that Britain needs ‘world-class skills’ and that more should be done to provide them. The odd thing though is that decline in provision seems to come in inverse proportion to the passion of the ‘skills’ rhetoric. The example below of the construction sector is an extreme but not untypical one of what has been happening to the vocational education and training (VET) system.

The latest figures for first-year construction trainee entrants into further education (FE) colleges provide an indication of this reality and a shocking indictment of the British VET system. This sector was once, next to engineering, one of the key industries in which apprenticeship flourished, underpinned by a statutory levy-grant mechanism and regulation through the Construction Industry Training Board (CITB). In 2005–06, however, of the 38,447 first-year FE construction ‘craft’ trainees, just over half were involved in work-based training of some sort and the remainder were on full- or part-time courses. Only 10,308 were following an apprenticeship programme, mainly at Scottish/National Vocational Qualification (S/NVQ) level 2, with higher proportions to be found in the north of the country than the south (CITB 2006). Though these figures only refer to those FE colleges responding to the survey, they indicate a far lower ratio of overall trainees to operatives than found in, for example, Germany or Austria, where there are 40 apprentices per 1,000 employed, compared with only about 11 in England (Steedman 2010).

Ten years later, and despite all the efforts by government to promote apprenticeships, the number of first-year FE construction trainee entrants in Britain recorded in this annual survey had fallen to a historical low in 2015, with 11,586 to be found training in the same occupations, only 35% of whom were undertaking some kind of work-based training. About 3,000 were following an apprenticeship programme, still mainly at level 2. In the past two years alone, trainees in the wood trades have fallen by 30%, from 6,725 to 4,536, and in bricklaying by 40%, from 3,982 to 2,364 (CITB 2015). To compensate, employers in Britain have increasingly come to rely on recruiting workers trained in other countries, so ‘poaching’ from VET systems elsewhere, an option that, given the recent referendum result, may no longer be viable to the same extent. How can we begin to explain this calamitous decline?

The most immediate challenge confronting work-related VET all over Europe is the changing nature of the labour market. For the construction industry this has been especially pronounced, with extensive subcontracting, significant use of agency labour, the spread of what is known as ‘bogus’ self-employment, together with precarious and sh113.sbour marr,J T* [(3,9
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disengagement in VET (CITB 2014). Despite this disengagement, an increasingly highly qualified workforce is required in practically every area of construction activity, even more so now given the abstract competences and knowledge demands of low-energy construction which require each and every construction worker to be thermally literate. How can this shortfall be addressed?

Changes in the labour market inevitably imply changes in the nature of VET. This essay looks at other countries to identify which aspects have most contributed to maintaining a training infrastructure. We focus specifically on the construction sector because it is both a classic apprenticeship sector and an industry with similar importance and a similar range of occupations in different countries.

What is apprenticeship? UK and elsewhere

Understanding what is going on in British VET is a bit like entering an Alice in Wonderland world where nothing is quite what it seems. Apprenticeship is a good example. The term 'apprentice', with its feel-good connotations of tradition, intergenerational stability and craftsmanship, has tempted politicians seeking to boost their credentials in expanding opportunities to young people to badge all kinds of qualifications and training programmes with the 'apprenticeship' label.

Thus in England apprenticeships can be at a low level (NVQ 2 rather than 3 or above), short (as little as one year) and can also be nothing more than the retraining of existing employees, as indicated by the considerable growth in so-called 'apprenticeships' for those aged 25 and above. Unlike apprenticeships found in most of northern Europe, apprenticeship qualifications tend to be narrow in their scope of job activities, to cover a range of jobs rather than being confined to negotiated and recognised occupations, and to be concerned almost exclusively with 'training' rather than any broader educational objectives. In the case of NVQ level 2 apprenticeships (the majority in England), any technical theory relating to the particular framework and occupational activity is kept to a minimum and the focus is on immediatesed ocenticc6-minime2ini [(c)13(onc)cdm1e8gy c

involvement and representation; and broad-based occupational profiles. However, one particular aspect seems crucial for the future development of a qualified workforce: VET as the link between education and the labour market is shifting away from the labour market side, based on employment in a firm, as this becomes more and more fragmented. As a result, 'learning by doing' – largely characteristic of traditional apprenticeship – is no longer an option. The workplace is becoming more peripheral as a place for VET. Instead, the college classroom and simulation in workshops – or, in the case of construction, special trainee sites – are indispensable given the increasing need for higher-level qualifications. Any VET system also has to be in tune with the globalisation of the labour market and education, and thus to be transnationally valid, including across Europe.

Successive British governments and, with some notable exceptions, British employers and trade unions have failed to address this. Programmes that express a spurious pragmatism based on 'learning by doing' and 'workplace credibility' persist, despite the dangers of simply reproducing yesterday's skills and not taking on board the rapid changes in activity that affect most economic sectors. To take just one example, to respond to the technologies of near-zero-energy construction depends upon a more broadly educated, thermally-literate, workforce with powers of independent action and judgement. Not only is the construction VET system ill-equipped to develop such a workforce, but the need to do so is not enthusiastically embraced by either industry or government. The Government's introduction of an apprenticeship levy in 2017 on firms with a payroll of more than £3 million may do little to change the situation, especially for the construction sector, where a levy-grant system already exists, covering all firms with a payroll of over £80,000. There is a real danger that firms elsewhere may simply cut their training budgets to compensate for the cost of the levy if they do not see the need to increase investment in the development of their workforce (Pickard and O'Connor 2016, Keep and James Relly, this volume).
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of apprenticeships. In a loose regulatory context, the most likely outcome of the new voucher system is small adjustments by levy-payers to cover the costs of existing training that would have taken place with or without state subsidy, and limited take-up among non-levy-payers. Faced with the difficult task of selling training to employers that do not need it, providers will continue to find it easiest to accredit existing employees already competent in their job roles.

The impact of Britain's departure from the European Union on this situation could take years to unfold, and depends in particular on the settlements reached on access to the single market and free movement of labour. During the fierce debates prior to the referendum, some argued that new immigration controls could benefit young people by forcing employers reliant on migrant labour to grow the talent pipeline in the UK, while the 'remain' camp argued that breaking from our biggest export market would lead to a drop in apprenticeships (for example Labour Party 2016). In the days after the referendum, speculation soon started about the implications of a potential recession for employer and government investment in skills. What is clear is the need for a more active strategy to create more meaningful work across all regions and sectors of the country, particularly for those who feel the economic gains of recent decades have bypassed their communities.

The system we need

The challenge is to build an institutional framework that supports collective commitment to skills and apprenticeships. The UK's market-led approach contrasts with the co-ordinated systems in countries with effective vocational training systems. In the German-speaking and Scandinavian countries, the state provides a much stronger regulator3(ed about te [(mark)22(e)2(t)]TJ T* [61(he im0(, particula
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