

The Scottish Government's Apprenticeship Summit Report

5 June 2009

Apprenticeship Summit

Introduction

This summary report has been based on the scribes' notes as submitted following the Apprenticeship Summit. Throughout we have tried to capture as many of the comments made on the day by delegates. To make the report as accessible as possible to readers we have provided a summary of the key recurring themes, followed by the Scottish Government's proposed work plan and a full report of the discussions that took place under each of the Roundtable Sessions.

The Modern Apprenticeship Programme in 2009

The Modern Apprenticeship programme in Scotland is, in essence, an employer-led, work-based training intervention. It aims to equip individuals with the underpinning knowledge and practical competence to undertake a specific job. In the last financial year, 2008-9, Skills Development Scotland supported 10,700 new starts on the Modern Apprenticeship programme in Scotland. Given the high level of demand for work-based training the Scottish Government announced in its Budget Statement in February, funding for an additional 7,800 new start apprentices in 2009-10 taking the anticipated total to 18,500. This represents a 73% increase on new starts for 2008-09. There have, however been some substantial changes in the Scottish economy over the last 12 months. The challenge now is how we translate this considerable additional investment into real apprentices that can make a vital contribution to the success of small and large companies across Scotland.

These have resulted in 872 apprentices, primarily in the Construction sector, who had faced redundancy or had been made redundant in the year April 2008 to 31st March 2009. The Scottish Government is determined not to allow the public, private and personal investment that goes into developing an apprentices skills to be lost to the Scottish Economy. To underline this commitment an apprenticeship guarantee was announced by the Scottish Government in January 2009. The focus of this guarantee is to ensure that as many apprentices as possible have the opportunity to complete their training. The Scottish Government has worked with Skills Development Scotland, Sector Skills Councils, Training Providers and others to find alternative employment or training for these apprentices. As a result of this partnership work, by the end of the year 265 apprentices will have secured alternative employment to complete their training and work continues to place the rest. However, we must not be complacent and must anticipate the potential that a deepening or prolonged recession will result in more apprentices losing their jobs.

Why?

The purpose of holding an Apprenticeship Summit was to explore and discuss with employers how Scotland uses the Modern Apprenticeship programme to support employment opportunities in Scotland.

The Summit took place on Tuesday 28 April 2009 at the Signet Library in Edinburgh in the context of a range of related activity –

- The PACE Summit Report available late March
- Alliance of Sector Skills Council's Employer Conference on 16 March
- National Economic Forum on 18 March
- Cabinet Secretary for Finance and Sustainability business breakfasts
- Holyrood Adult Learner Conference 18 March

The feedback from breakout sessions at the National Economic Forum, the Alliance of Sector Skills Council's Conference and relevant conclusions from the PACE Summit Report were used to shape the agenda and roundtable questions for the Apprenticeship Summit.

What?

The key themes considered by delegates at the mornings two Roundtable Sessions were How To Develop Scotland's Skills Base By Increasing Modern Apprenticeships and How We Can Secure The Future Of Apprentices Who Have Lost Their Jobs As A Direct Result Of The Recession.

Who?

The Summit focused on the Modern Apprenticeship Programme in Scotland and how it can deliver for the current economic climate. The Apprenticeship Summit was deliberately focused at employers because it is employers throughout Scotland that have the ability to develop Scotland's skills base through the continued recruitment of new apprentices and the employment of apprentices who have been made redundant. It was important given the current economic climate and the resulting new challenges that we face that the Scottish Government heard directly from employers what support they feel is necessary to achieve this.

In total 150 delegates attended the Apprenticeship Summit. 100 representing employers from the public and private sectors, 7 from the Scottish Trade Unions Congress, 5 representing Sector Skills Councils, 5 representing private training providers and 5 representing Scotland's Colleges. The event was chaired by Jim McColl, Chief Executive of Clyde Blowers and there were 15 facilitators from a mix of employer and umbrella bodies and 15 scribes from Scottish Government and Skills Development Scotland.

Apprenticeship Summit - Overarching Key Messages

Employers were keen to stipulate that the recruitment of apprentices was dependent on their wider business planning. Ultimately to recruit an apprentice or employ an additional apprentice an employer must have the level of work required to allow them to undertake their training. There was a feeling that the current economic climate was resulting in unchanged or reduced levels work, rarely more. This meant that few businesses needed significantly more apprentices this year. However some broad conclusions on how to facilitate recruitment of apprentices whether new starts of an apprentice affected by redundancy can be derived from the collated feedback from the session:

- **Financial Incentives for Employers**

There was much discussion about a wide variety of potential financial incentives that may encourage employers to recruit a redundant apprentice. It was felt that the provision of some kind of additional financial support made directly to the employer could help offset some of the costs of employment of an apprentice.

It was also felt that employers needed better information about the individual apprentices that were currently seeking alternative employment as a result of redundancy to help speed up the process. More proactive partnership working between employers and training providers would help this to a certain extent but there was a clear call for a national clearing house to be set up to support this.

- **Need easily accessible information about apprenticeships**

There was much discussion throughout the first session about the need for better information, held in one central place to ensure that employers can easily access information that helps them assess the benefits to their business of the programme.

Employers observed that the recruitment process for an apprentice could be very complicated. It was suggested that further clarity of the roles of bodies involved in the delivery of apprenticeships is urgently required to ensure employers needs are better reflected. This includes clarity of the roles that Skills Development Scotland and Sector Skills Councils play and making clear lines of responsibility and ensuring increased transparency. This included a number of requests for increased transparency about the contributions to training apprentices that the Scottish Government was making through Skills Development Scotland.

There was general agreement that in order to increase apprenticeship recruitment this year there needs to be improved marketing of opportunities. Many employers felt that there would be particular benefit in increasing the awareness of the positive aspects of apprenticeship recruitment. There were also several references to the apprenticeship ambassador campaign that had run in England.

- **Need to improve public sector participation**

It was inappropriate and unrealistic to place all the responsibility on increasing apprenticeship recruitment on the private sector. There was an expectation that the public sector as a whole should quickly look at its procurement practices to support the increase in apprentice numbers. It was also felt that local authorities could employ more apprentices directly. It was suggested that this should include an improved public sector response to redundant apprentices.

- **Help smaller companies engage with apprenticeships**

It was felt that there would be benefit in increasing the participation of SMEs given their importance to the Scottish Economy. Given the increased financial pressures on SMEs recruiting apprentices, particularly in the first year, it was suggested that the Scottish Government should consider how to use incentives to improve SMEs' participation in apprenticeship recruitment.

- **Employers want to retain ownership of apprentices in Scotland and fully explore potential flexibility in the current system**

Whilst employers are open to the need to be as flexible and responsive as possible to redeploying redundant apprentices they were extremely keen that they would retain overall ownership of apprenticeships. They felt that the current quality of the programme in Scotland was a direct reflection of the degree of employer and, to a degree, employment focus.

In the same vein there was much enthusiasm for fully exploiting the flexibility within the current delivery model to help with the fall-out from the current economic climate. There was a general acceptance that, should things get significantly worse, then more significant changes may need to be considered to ensure that as many apprentices as possible complete their training.

- **Need to relax the current age restrictions move to bottom**

It was observed that the extent of the current age restrictions could be very limiting to employers who wished to be able to use the apprenticeship programme as an entry and up-skilling training tool. It was considered essential that further thought be given to how the current restrictions could be revised to support key business in the Scottish Economy.

Scottish Government Response

By way of immediate response to the discussions at the Apprenticeship Summit the Scottish Government have developed the following action plan. Work has already begun on a number of these areas and Scottish Ministers hope to make a series of announcements very shortly.

This action plan covers both delivering increased apprentices and supporting redundant apprentices and has been split into short and longer term actions:

Area of Work	Action	Lead
	Short Term Actions	
Delivering More Apprentices	Consider how to attract more SME involvement in the apprenticeship programme through an incentive programme	Scottish Government And Sector Skills Councils
	Consider the most beneficial way of the apprenticeship marketing programme to increase the reach to all employers to roll out by Autumn 2009	Scottish Government and Skills Development Scotland
	Improve the quality, detail and location of the information available about apprentices	Skills Development Scotland
	Consider the current age restriction on the funding of Modern Apprenticeships in Scotland within context of current economic situation	Scottish Government and Skills Development Scotland
Supporting Redundant Apprentices	Consider employer incentives for the recruitment of redundant apprentices	Scottish Government and Skills Development Scotland
	Consider the pros and cons how a national clearing house may operate to support the current apprenticeship guarantee	Skills Development Scotland
	Work with key partners to exploit the full flexibility of the current programme to support redundant apprentices	Sector Skills Councils and Modern Apprenticeship Group
	Longer Term Actions	
Delivering More Apprentices	Ensure that the Core Skills offering within framework fully fits needs of employers	Modern Apprenticeship Group
	Consider how we can most effectively support the development of Business Improvement Techniques and management and leadership qualifications	Skills Development Scotland
	Work with the SSCs following the relicensing process to clarify their	Scottish Government and Skills Development

	role to develop and promote apprenticeship programmes that best meet the needs of employers	Scotland
	Ensure better transferability of the Modern Apprenticeship Frameworks through the SCQF credit and levelling of all elements of an apprenticeship framework	Modern Apprenticeship Group

Summary Report of Discussions at the Apprenticeship Summit

Developing Scotland's Skills Base by Increasing Modern Apprenticeships

Question: Are you planning to recruit apprentices this year? If not, what might encourage you to take on apprentices?

There was mixed response to this question. Some reported that recruitment levels were steady in comparison to the past couple of years; some indicated lower levels of recruitment, particularly in Construction. Whilst a smaller number suggested that they would be increasing recruitment, these tended to be larger companies and local authorities.

Where increased recruitment was being undertaken, it was as a response to a recognised need for succession planning and up-skilling of existing staff. Many employers felt that they would be able to consider increased recruitment for the purpose of up-skilling and re-skilling if they could access funding for apprentices 20+. Many described the current age restrictions on public funding as acting as a barrier to recruitment.

What employers were keen to stress is that the recruitment of apprentices is a business decision. In addition the Modern Apprenticeship structure focuses on experiential and competency learning which are work dependent and therefore recruitment decreases when there is no work for them to do. Recruitment of all staff, including trainees, in the current economic climate is largely reliant on the financial position of the company.

Question: Are there barriers to apprentice recruitment? If so, what can be done to overcome these?

Information about Modern Apprenticeships in Scotland

A number of employers made the point that it is not easy to access any information or guidance on how to recruit an apprentice in Scotland. They believed that there was a lack of information about what apprenticeship frameworks existed in Scotland, lack of information about the current funding focus and levels and no clear understanding of what national body is responsible for the funding and how to access it. It was also a perception that this created unnecessary complications and barriers for employers and that there would be benefits in creating impartial information for employers to access to allow them to become better informed about the programme and its operation in Scotland. This could be an online resource that clearly showed the process step by step. One delegate suggested that contributions in Scotland are relatively generous but as the majority of contributions are currently routed through training providers, employers are not aware of the full contribution that the public sector is making. It was also suggested that greater clarity of the role of SSCs in apprenticeships might demonstrate that there is greater support for employers available.

Bureaucracy

Employers also thought that the current system was overly bureaucratic and very time-consuming for employers. Some believed that this bureaucracy was one of the reasons that more SMEs did not recruit apprentices. Many thought that simplification of the current process would help employers and that an intermediary body to help employers with the administration might be considered.

Flexibility of Funding Model

It was felt that there needed to be consideration about how the current funding model could be used more flexibly during the current economic climate to support employers. There was a lot of discussion around the low value added to a business of an apprentice in the initial stages of their training. For traditional sectors, such as engineering and construction, this initial stage was one full calendar year in length. Employers thought that if they were to maintain skills investment in order to be able to make full advantage of the upturn when it comes, then consideration should be given to some kind of incentives. Suggestions at the Summit included:

- A 'golden hello' for recruitment to be offset against wage costs – this suggestion was discussed at a number of tables
- Front-loading Government contribution so employer is getting increased support in initial year – non-employers at the event though that this would have an adverse affect on Scotland's strong completion rates.
- The consideration of non-employed status for the first year – this attracted varying support with many feeling that employed status was key to both the apprentice and the employer
- Looking at wage subsidies for companies who had to evoke short-time working to avoid redundancies. While some delegates suggested that this should be available for all staff, others were concerned about deadweight and the manageability of such a scheme.

Parity and Progression

There was a feeling that young people who were seen as less academically able were being encouraged at school to apply for an apprenticeship. Employers were keen to point out that to enter many apprenticeships, the minimum entry requirements were equal to colleges and in some case university-level entry. It was thought that young people needed to have better access to advice about what qualifications or experience you must have in order to be considered for an apprenticeship. Whilst employers recognise that they need to be prepared to recruit raw talent they felt that young people required better preparation for the labour market by careers advisors.

It was believed that better links with existing employability courses should be made to ease the transition for young people and those returning to work. The current system of contracting does not, in itself, support articulation between employment-focussed programmes as well it should. In addition employers felt that it was not always clear what post-apprenticeship career development existed for individuals to pursue. Again employers felt that there was a lack of access to information that would allow them to support progression to and from the apprenticeship programme.

Differing Approaches within the UK

A number of employers that operated across the UK commented that working with the different systems in England and Scotland was difficult, because they all want a set standard of training for all their staff. In addition it was thought that the system in England was easier to understand and the funding rates were more attractive to employers. Whilst employers understood that it was unlikely that we would move to a single UK system they asked that the Scottish offering was made clearer.

Age Restrictions for Public Funding

The discussion around the issues of potential barriers to the recruitment of apprentices caused much discussion at the Summit. There was almost unanimous agreement amongst delegates that the biggest barrier to the current recruitment of apprentices was the restriction on public funding for those over 20. It was felt that these restrictions impacted on some sectors more than others. Employers in the care sector for example tend to employ more people over the age of 20, many of whom were women returners to work and, as of March 2008, they have not been able to access public funding to support their career development. There was agreement amongst delegates that the funding of adult apprenticeships in some sectors should be re - considered.

There were a number of observations that the term 'modern apprentice' was associated with younger people and entry-level jobs. Some employers cited this as off-putting for adult learners. It was suggested that there might be some merit in considering a separate name for the 20+ programme whilst allowing people to undertake the same training.

Question: Is there enough awareness amongst employers about what is available through the Modern Apprenticeship programme?

There was an assumption that the awareness across Scotland's employers about the Modern Apprenticeship programme in general was patchy with some sectors and SMEs being particularly affected. However, it was also thought that the full flexibility of the modern apprenticeship programme was understood by very few.

Marketing

A national marketing campaign clearly highlighting the benefits to employers of taking part in the apprenticeship programme should be considered. The marketing, using apprenticeship ambassadors such as Alan Sugar in England, was referenced. It was felt that taking such an approach was critical to the future success of the apprenticeship programme. There was a feeling that both Skills Development Scotland and Sector Skills Councils should improve the marketing of apprenticeships and skills training to employers.

Information Advice and Guidance for Employers

A single point of contact for the apprenticeship programme in Scotland was needed for all employers large and small. It was believed that this would provide the clarity which was required around the content of Modern Apprenticeship frameworks and the public funding that was available. The current process for accessing information was seen as time consuming and complicated and resulted in many employers, particularly SMEs not understanding the full benefits for the business of undertaking training for existing or new recruits.

It was also thought that there needed to be more transparency around the Modern Apprenticeship Framework. It was felt that the use of too many acronyms such as NVQ, SVQ, Core Skills made it difficult for all employers to quickly and easily ascertain what training and learning their apprentice was undertaking.

Role for Large employers in Supporting Awareness within Supply Chain

There were a number of references to the role that large companies could play in promoting the apprenticeship programme to their supply chain. This could perhaps be something that is more widely encouraged. Companies that had the benefit of in-house training teams were

seen as being more aware of the benefits and operation of the apprenticeship programme. There were some examples of large companies such as BT who already played an important role in both promoting and supporting their supply chain to participate in apprenticeship training.

Question: Where do you think there are potential areas for growth for apprenticeships?

There was a wide spread of opinions about what the potential areas for future growth of the Modern Apprenticeship Programme were. Most of the employers considered there to be potential to maintain or grow the apprenticeship programme within their sector. There was however a number of recurring sectors to note:

- An increase in training within the tourism and care sectors, although these would primarily be dependant on the removal of age restrictions.
- There was also a lot of support for increased participation of the public sector, one that better reflected the number of jobs.

There was again general agreement that the apprenticeship programme in Scotland should be all age. In Scotland where the changing demographics had been well documented any future growth would have to include the up-skilling or re-training of those aged 20 +. We need to be clear about whether apprenticeships are for entry-level training only or whether they can be used for up-skilling staff.

Some questioned the rationale for this question suggesting that it is better to let the market decide the growth areas itself which would require the age and sectoral barriers to be removed. An apprenticeship should be about undertaking training in order to achieve sustainable long term employment. However in a changing world it will be key to ensure transferability and value of vocational training undertaken by apprentices.

Question: Do you think the apprenticeship model works well across all ages? If so, what steps do we need to take to capture that potential?

It was thought that the apprenticeship brand works well in attracting young people but in some sectors it was not always as appealing to adults. However there was recognition that an apprenticeship was not always needed for an adult and that more flexible funding of stand-alone vocational qualifications would allow adults to develop the required vocational skills more quickly. It was again suggested that perhaps apprenticeships for those aged 20+ should be branded differently to appeal to adults.

There were a number of comments about the benefits of employed status in attracting good quality candidates of all ages to apprenticeships. It was even suggested that the Scottish requirement for employed status made it the strongest programme in the UK. However some others felt that the requirement for employed status restricted recruitment.

Question: Do Modern Apprenticeships need to be more flexible? How?

Some delegates believed that there was not enough involvement of employers in framework development and as a result the framework did not reflect the wider needs of business. There needs to be a greater recognition that frameworks need to deal with the needs of a number of employers, sometimes across sectors. This requires more engagement between

SSCs and employers and SSCs to work more collaboratively together to ensure the strongest framework possible.

There is a growing need to provide clarification of the length of time of a framework. There has been much debate about fixed length of apprenticeships and in order for the training to be of most value it must move at the speed of the learner. Business needs also change throughout the year so there is a need for flexible start dates for candidates, this can be too driven by the timetables of training providers and colleges. Employers need to be driving not just the framework development but also the framework delivery to ensure that they are getting best value out of the process as there are big costs involved for all employers engaging.

Question: How can the Modern Apprenticeship Programme attract the widest pool of talent? And, how do we ensure that disadvantaged individuals have opportunities to engage with the Programme?

There was much discussion about the need for a marketing campaign to help promote the Apprenticeship programme to employers. It was thought that this would be of particular benefit to emerging, non traditional sectors such as the creative industries. It was felt that this could be achieved by using apprenticeship ambassadors and case studies.

It was thought that more needed to be done to improve the advice and guidance available to people around the apprenticeship programme. There needed to be increased understanding of the entry standards required to successfully apply for an apprenticeship. It was generally felt that work based training still lacked parity of esteem with other post-school destinations such as further and higher academic routes. It was felt that this often leads to apprenticeships being suggested to the wrong candidates.

Employers were however committed to recruiting from the wider talent pool. They believed that in order to better bridge the gap between school and apprenticeships for some that better links had to be made between existing employability programmes. It was thought that with better support and advice for both employers and candidates more progression opportunities from programmes such as Get Ready for Work (models such as Youthbuild) and New Deal should be possible. It was noted that it was not often easy to find one point of contact that could help facilitate these links for employers and it was often left to word of mouth or local knowledge as to an employer's ability to help this progression. In addition to this there were suggestions made that we all needed to consider how certain jobs and frameworks could be undertaken by disabled individuals but that there was currently a very low uptake of this group within the apprenticeship programme.

Some employers felt that barriers such as travel costs, particularly in rural communities, and childcare costs were a barrier for potential candidates. It was thought that the ability of colleges in particular to offer this additional support meant that undertaking an apprenticeship was less attractive.

Question: What role do you think public sector employers should play in recruiting apprentices?

There was overwhelming support for the public sector playing a larger role in apprenticeship programme. It was felt that the government should issue clear guidance for the whole public sector, NHS, police, ambulance services government agencies and local government about the need for work based training and the role of apprenticeship within that in Scotland.

Two clear suggestions gained significant support at the Summit. The first was that more encouragement should be given to local authorities to use apprenticeships to train their staff across the whole organisation. It was felt by many that there was a role for apprenticeships within park management, leisure services, cleansing services etc.

The second was that we needed to better use the procurement process to ensure the training and up-skilling of Scotland's workforce. As well as within the procurement of all construction projects it was felt that there existed opportunities within road maintenance contracts and catering contracts. Some delegates suggested that we needed to go further than using community benefit clauses and actually ask that procurement contracts specify and define the number of apprentices required, based on the value of the overall contract.

Question: What role could SMEs play in recruiting apprentices? Should support be targeted at SMEs?

It was thought that there were many more challenges to SMEs in taking on apprentices than were currently acknowledged. There is a huge commitment of both time and money required that is often daunting to micro and small businesses.

There was a suggestion that the current age restrictions adversely affected SMEs as they are often inclined to employ older workers who have more life experience.

Through the promotion of existing pooling and consortium programmes that were successfully running in Scotland there may be the possibility of attracting further interest in the programme. It was also suggested that larger companies could do more to support the training and development of the staff employed within their supply chain. This could be achieved by providing experiential learning or training opportunities for staff or simply providing an extension of their in-house support service to SMEs and their apprentices. It was also mooted that should be consideration of a higher contribution rate for SMEs which would help them cover a greater proportion of the training costs accrued through the duration of the apprenticeship.

Question: Are there generic vocational skill areas that could be supported?

Core Skills

It was thought that there was still a strong need for core/soft skills to be continued as part of the apprenticeship programme. However what those core skills should be was widely discussed. It was felt that young candidates needed to have a higher level of literacy and numeracy skills on entering the programme whilst others suggested that core skills should be completely reconsidered to include things such as enterprise skills and business skills.

Generic Vocational Apprenticeship Frameworks

It was felt that all-age qualifications in both customer service and management were needed to support today's workforce, although not necessarily in the form of an apprenticeship framework. It was explained that there were very few jobs today in which customer service was not applicable and that there should be a customer service element to all apprenticeship frameworks. In addition to this most people would require to undertake management training at some stage in their career whether it be first line management or management of business interests.

Supporting Redundant Apprentices

Question: What would encourage you as an employer to take on an apprentice made redundant? What would encourage those employers with an existing commitment to recruit apprentices to take on a redundant apprentice as well?

Particularly in larger employers they preferred to recruit apprentices from day one of their learning. It was felt that this approach was common given that there were many misconceptions about the current pool of redundant apprentices. For many years it had been the case that an employer's experience of a redundant apprentice was actually someone who was unable to complete their training on grounds of competence rather than economics. There was a need to overcome these misconceptions quickly. There was a great deal of ideas and suggestions made about how employers may be encouraged to recruit redundant or additional apprentices next year, these are detailed below.

It was seen as essential that potential employers were fully informed about the redundant apprentices they were considering employing. For example there was a need to have better information about the skills already acquired. There was also discussion about the need for a standard skills summary and possibly an employer reference for each apprentice. In addition it was felt that there would be benefit in a document setting out the total cost of the apprenticeship (including wages) and who pays what. It was felt that transparency was key if we were to work with employers to quickly redeploy these individuals.

Immediate Solutions for Consideration

- Removal of recruitment red tape such as open public sector recruitment policies
- Financial Incentive for Employers which may take the form of a training grant, full wage subsidy, adopt an apprentice scheme, or golden hello.
- Buy one new start get one free – could this be used to encourage employers to recruit redundant apprentice
- National Insurance Holiday for all staff
- Prioritisation of redeployment based on the amount of time left to complete
- Apprentice contribution to training – perhaps through ILAs to help towards additional costs assumed by employer for training
- Use of voluntary experiential learning supported by a wage subsidy particularly for third sector opportunities

Longer term solutions

- More transferability of frameworks between organisations – whilst frameworks are sector specific every employer adds their own optional elements. Result is that not all level 3 apprentices have undertaken the same learning.
- Ability to better determine learning undertaken so that people can be offered training in alternative sectors but do not repeat learning and ensure that where sector is changed full funding can be accessed for new framework

- Need a better national strategy for vocational learning, college and work based, to ensure better fit with employer needs

Question: Do you know who to contact to investigate taking on a redundant apprentice. If not, what type of process do you think needs to be in place?

There was little knowledge from delegates about who should be contacted at a national or local level should they have opportunities for redundant apprentices. There was a number of recurring issues which are set out below:

Partnership Approach

It was generally felt that we needed to cement the partnership approach to allow us to successfully and quickly redeploy redundant apprentices. A number of delegates said that although that was the current policy aim this could not always be evidenced on the ground. Proactive engagement co-ordinated by Skills Development Scotland with training providers and employers needed to be the starting point. There was a concern that solely relying on training providers to seek alternative training for apprentices was unrealistic. However there was an expectation that within Apprenticeship Contracts, Skills Development Scotland make it clear to training providers what the minimum requirements should be should an apprentice find themselves made redundant.

Another source of much discussion was the role of the Partnership Action for Continued Employment within this area. Some experiences of this initiative to date had not been positive and there was criticism at the lack of targeted support available to young redundant apprentices through this route. The PACE helpline came in for criticism as people were expecting it to provide advice, guidance and support for both employers and individuals, not simply issue a standard information pack.

Employers also felt that Sector Skills Councils had information about the skills needed across all sectors and could be working to secure employment for redundant apprentices in these areas.

Clearing House/ Opportunities Bank

There was much discussion about the need for some level of National Clearing house or opportunities bank to support much of the work that is being undertaken at a local level to find alternative employment. Employers felt that a national focal point to allow them to easily communicate the opportunities they have by level and location would be of most use. It was felt that relying on all this work to happen a local level created duplication of effort. It was felt that Skills Development Scotland, and possibly the Careers Scotland element in particular, would be best to undertake this as they are a recognised brand by both employers and young people.

There was some concern that Construction Skills was already operating this for their Sector and we should be careful not to unnecessarily re-invent the wheel.

Potential of Marketing

Similarly to the points made about marketing in the first session it was felt that there was a need to use increased promotion of the recruitment opportunities that currently existed to employers. It was felt that as well as considering a targeted marketing campaign that we consider using employer representative bodies to disseminate key messages to all of their

employers. It was recognised that this marketing had to take place very quickly if we were to successfully re-engage the current displaced apprentices.

The Effects of the Time Gap

It was noted that for young people long periods of unstructured engagement could result in disengagement from learning altogether. It was felt that whilst alternative employment was being sought for individuals that there should be some consideration given to how to engage them in alternative tasks. This could just be seeking out short term volunteering activities or looking to engage them in short courses of learning.

Balance of the Focus

There were also a number of points made about the balance between needing to prioritise the redeployment of redundant apprentices and the drive to increase the number of new starts. It was felt that given that the majority of redundant apprentices were pursuing frameworks in Construction that redeployment would inevitably have an impact on the number of new starts this year. There needed to be a universal understanding of this.

Question: Where redundant apprentices opt to complete their qualification through an academic route, getting less on the job experience than a traditional apprentice, would you be any less keen to employ them? If you perceive disadvantages to someone following this route can you suggest any steps to overcoming these disadvantages?

Many of the employers present were keen to voice their concern that moving forward and even within the current economic climate there was real value in allowing employers to retain the ownership of the apprenticeship programme. There were three main areas of discussion:

Balance of Learning

The majority of delegates wished to stress that the practical experience undertaken by an apprentice as part of their training is vital to the overall quality. An apprenticeship is made up of a combination of work based learning and off-the-job training and to follow a solely academic route is a significant deviation from this. The reality is that employers would see them as less work-ready than someone who had followed a standard apprenticeship route and that would be reflected in recruitment.

Academic Focus

Given the current economic climate some were prepared to concede that it may be possible for people early in their apprenticeship to front load their training with the college based underpinning knowledge learning. Whether or not this should be supported/sponsored by an employer to encourage sustainable employment was discussed by some. They could then look to fulfil the experiential work based learning at a later date when the Scottish Economy was better placed. However, there was a suggestion that for certain aspects and elements of an individuals training, such as management, a solely academic route was appropriate.

Relevance and Quality

There was a more fundamental concern about the strength of an academic route being tied directly to the quality of the provider and the specific relevance and currency of the academic learning undertaken. If we were to front load the off the job training-provider based learning

for apprentices as a way of supporting them during this recession then we would need to improve the portability and transferability of the qualifications that individuals undertake. This would support better entry to the workplace but also allow apprentices to maximise the number of employment opportunities available to them at the end of the training to increase job prospects.

Question: Are there other models we could develop to support apprentices complete their training?

It was agreed that the focus of the Scottish government and Skills Development Scotland must be to place and support redundant apprentices to ensure best value for investment. There were a lot of references to the strength of the current Scottish model and a fear that any knee jerk responses would result in us losing some of the quality and respect that the programme had built up. As a result, discussion about alternative models to support redundant apprentices focused on building on the flexibility of the existing delivery model and introducing more significant changes:

Building on Flexibility of Existing Model

Flexibility of Construction Frameworks: Recognised that there is a need to adopt different solutions for individuals dependent on the stage of their apprenticeship training. Need to look at increased flexibility of four year apprenticeship framework, consider relaxing the rule about only construction employers being able to directly employ construction apprentices, as Housing Associations could also fulfil this role through use of housing associations.

Front Loading Off the Job Element: It was suggested that to combat redundancy all the off-the-job learning could be completed at the start of an apprenticeship whilst sponsored by an employer (not necessarily employed so student support costs would be required). This would allow apprentices to start on the work based element when they already have the underpinning knowledge required to undertake the job.

Local Authorities employ apprentices and use community projects for experiential learning: This model could be used to support people that were nearing the end of their apprenticeship to limit the total wage costs for local authorities.

Pre-redundancy options: through initiatives such as PACE - we should be helping employers in Scotland understand all the pre-redundancy options that exist.

Apprentice Pooling: Working to encourage more companies to recruit apprentices as a group. The cost of the apprentice is then spread across four companies and is less directly linked to the economic climate.

Potential Alternative Models:

Combination Model: an apprentice works with their employer for a certain number of weeks, attends college for a certain number of weeks and the voluntary sector for a certain number of weeks. This would allow 3 or more apprentices to rotate round the model and complete their learning. This would require a government contribution to total wage cost.

Large Employer Feeder: Encourage larger employer to train extra apprentices than their business model requires and feeds them out on completion for SMEs in their supply chain to employ. Could also involve the SMEs in the gaining of experiential learning in order to ensure enough work related learning opportunities.

Secondment Model: Employers could second apprentices between different employers to allow them to fulfil element of the training. Apprentices can then choose between employment opportunities on completion of training. Government subsidy would be required to support administration and wage costs.

Broker model: One central organisation takes responsibility for employing and recruiting apprentices and then finds full time employment at the end of the training. Similar to the current OPITO model supported by Oil and Gas employers.

Non-employed Status: Allowing non-employed status would allow individuals to gain work-based learning elements without employers, private, public or third sector, having to assume wage costs. There are sustained employment considerations given that this training would not necessarily be linked to employer business models.

Use of benefits scheme to support non-employed status: This would see apprentices accessing unemployment benefits to support them whilst completing their apprenticeship on a non-employed basis. They are then in a better position to find sustainable employment opportunities.

Delegate List

Annex A

First Name	Second Name	Position	Company
Harry	Begley	Hr Team Leader	North Ayrshire Council
David	Black	Vocational Learning Manager	NHS Ayrshire & Arran
Steven	Boyle	HR Manager	INEOS
Francis	Brady	Employer Engagement Manager - Scotland	Jobcentre Plus
Steven	Brodie	Apprentice Development Leader	Rolls-Royce Plc
Janet	Brown	Chief Executive	Scottish Qualifications Authority
Jim	Brown		Energy & Utility Skills
Rosaleen	Brown	External Relations Manager	Jobcentre Plus
Raymond	Brownlie	Personnel Officer	South Lanarkshire Council
Lorna	Bryson	Head of UK Resource	Tesco
Sandy	Burgess	President	The SMTA
John C	Burt OBE	Principal	Angus College
Thomas	Campbell	Regional Industrial organiser	UNITE(T&G)
Jacqueline	Cannon	Director of HR	Fairmont St Andrews
Morag	Cassidy	Business Development Manager for Scotland	Remploy
Martin	Chisholm	Skills Manager	Scottish Chambers of Commerce
Jonathan	Clark	Service Design and Innovation Director	Skills Development Scotland
Lesley	Coutts	HR Adviser	Aberdeen City Council
Jacqui	Cullen		Skillfast UK
Colin	Dalrymple	Director/Treasurer	Scottish Training Federation
Ron	Dalton	Director	LLTNP Community Partnership
Doreen	Davidson	Vice President-Human Resources	Charles River Laboratories
Stephen	Deans	Convener	Unite the Union
Anne-Marie	Devlin	Deputy Director	North Glasgow Housing Association
Christine	Doherty	Vice Chair	Scottish Training Federation
David	Doig	OPITO, The Oil and Gas Academy	Minerva House
Debbie	Donald	Head of Strategic Workforce Development	NHS – Tayside
Patrick	Donnelly	Branch Secretary	Community
Jacqueline	Drinkwater	National Chair Scotland	NDNA Scotland
Sheila	Duncan	HR Director	Scottish Power
Lynne	Dunn	Co-Ordinator	Fife Works
Dennis	Dunne		Midlothian Council
Tricia	Ferrie	Senior Training Co-Ordinator	East Ayrshire Council
Roland	Fletcher	Apprentice Manager	National Skills Academy for Nuclear
Jeanette	Forbes FRSA	Director	PCL Group
Pauline	Fountain	Policy Officer	Equality & Human Rights

			Commission
John	Gillan	Managing Director	Premier One (Land Services)
Denise	Grant		In Training
Stephen	Halleran	Regional Distribution Manager	Menzies Distribution Ltd
Gary	Hamilton	Apprentice Manager	Scottish & Southern Energy
Gavin	Hay	Development Manager	City Building Glasgow LLP
Anne	Henderson		STUC
Stephen	Henson	Vice Chair	Scottish Association of Timber Trade Teachers
Jacqui	Hepburn	Director	The Alliance of Sector Skills Councils
Dorothy	Hermiston	Deputy Training & Development Manager	Stagecoach Group
Shona	Honeyman		Development and Regeneration Services
John	Huband	Head of Recruitment and and Employment Services	NHS Highland
Peter T	Hughes	Chief Executive	Scottish Engineering
Hugh	Jamieson	Development Officer	Inverclyde Council
John	Kane	Head of Vocational Training	Glasgow City Council
William	Kane	Youth Development Manager	INEOS
Andrew	Kay	Salon Owner	HABIA
Bernadette	Kerr	Executive Committee Member	Support Training Action Group (STAG)
Raymond	King	Technical Organisational Development Business Partner	Babcock Marine, Clyde
Billy	Kirkwood	Managing Director	RDK Construction/RobertRyan
Neil	Langley	National Academy Manager (Recruitment)	British/Scottish Gas
Stuart G	Leitch	Managing Director	MITechnologies Ltd
Wendy	Livingstone	Associate Principal	Forth Valley College
Janet	Lowe	Chairperson	SFC Skills Committee
Mark	Lyon	Convenor	Unite
Walter	MacAdam	Learning Project Manager	GMB
Neil	MacCallum.	Principal	NMA
Gillian	MacEwan		Federation of Small Businesses
Alan	Mackay	Vice Chair	STUC Disabled Workers Committee
Duncan	MacLeod	Managing Director	YouTrain and Lit Screens
Ian	Main	Group HR Manager	Ogilvie Group
Ranald	Mair	Chief Executive	Scottish Care
Robert	Malpass	HR Project Manager	Ministry of Defence
Jack	Matthews	Chairperson	The Alliance of Sector Skills Councils
Hugh	McAloon	Deputy Director	Scottish Government
Stephen	McCarron	Job Retention & Workforce Development Manager	Renfrewshire Council
Jim	McColl		Clyde Blowers
Chris	McCormack	Head of Skills, Accreditation & Leadership	BT

Ian	McCrory	Chairperson	Support Training Action Group (STAG)
Colin	McCurdy	Managing Director	Zenith SAS Ltd
Julie	McDonald	VQ/ MA Development Co-ordinator	North Lanarkshire Council
Willie	McFadden	Training Manager	City Building Glasgow LLP
Bob	McGonigle		Edinburgh University
Jim	McHarg	Head of Employee Development	BVT Surfacefleet
Elizabeth	McIntyre	Manager	Moray Firth Media Trust
Martyn	McIntyre	Federation of Small Businesses	Policy Officer
Eoin	McKevitt		Strathclyde University
Susan	McLaren	Head of Strategic Resourcing	Openreach
Peter	McNaught	Training Manager	Jacobs
Jim	McPhie	Owner	McPhie's Bakers
Charles	McShane	Policy & Employability Coordinator	Perth & Kinross Council
Linda	McTavish	Convenor of Pricipal's Convention	Scotland's Colleges
Lucy	McTiernan	Acting Chief Executive	Scottish Council for Voluntary Organisations
Heather	Meldrum	Regional Director	Community
Anne	Miller	Creative Director/Partner	Renella Hairdressing
Annette	Monaghan	Qualifications Manager	NHS Greater Glasgow & Clyde
Ed	Monaghan	Managing Director	MacTaggart & Mickel
Robert	Mooney		Community STUC General Council
Angela	Morrell	Team Leader	North Ayrshire Council: Youth Services
Alistair J	Murison	Strategic Co-Ordinator	Culture and Sport Glasgow
William	Neish	Chairman	VBRA
Ken	Nicol		Restoration Ltd-Dounreay site
Yvonne	Nicol	Regional Manager	Andron FM
Graeme	Ogilvy		Construction Skills
Sylvia	O'Grady	Lifelong Learning Manager	Scottish Union Learning
Daragh	O'Hare	HR Co-ordinator	Marriott Hotels
Gillian	O'Reilly		Scottish Southern Energy
John	Park MSP	Shadow Minister for Economy & Skills	
Susan	Pollock	L&D Manager	Clyde Union
Aileen	Ponton	Chief Executive	SCQF Partnership
Graeme	Ramsay	Tech Training Manager	Babcock Marine (Rosyth)ltd
John	Reid	Manager	Access to Employment Ayr
Nick	Rennie	Partnership Manager	Scottish Rugby
Caroline	Rickard	Lifelong Learning Manager	Glasgow City Council
Mark	Ridgway	Managing Director	P.S.Ridgway
Emma	Ritch	Project Manager	Close the Gap
Gordon	Rodgers	Head of Industry and Business	Scottish Qualifications Authority
Maria	Roushias	Training Services Manager(MAG Chair)	Reid Kerr College

Billy	Russell	Managing Director	Imagineering
Elaine	Sinclair	Scottish Operations Manager	Manpower UK Ltd
Miriam	Smith	Director	Essential HR Ltd
Grahame	Smith	General Secretary	STUC
George	Stevenson	Managing Director	Mathiesons Bakeries
Gordon	Strachan	Trainer/Appentice mentor	Lothian Buses
Niall	Stuart	Press & Government Affairs Manager	Scottish Council for Development and Industry
Richard	Sugden	People Development Manager	Asda
Billy	Sweeney	Training Manager	Rok Group
Chris	Thompson		Robson Associates Ltd
Rosemary	Thompson		North Highland College
Gary	Tovey	Qualifications and Skills Manager	Sainsbury's Supermarkets Ltd
Chris	Travis	Chief Executive	Scotland's Colleges
Ian	Walker	Head of Traditional Skills	Historic Scotland
Lawrence	Wason	Divisional Officer	USDAW
David C	Watt	Executive Director	Institue of Directors Scotland
Sarah	Williamson	Contracts Director	Microcom Training Ltd
Brian	Wilson	Assistant Principal	West Lothian College
Margaret	Wood	Training & Development	ARAMARK Ltd
Ashely	Woodhouse	MA Scheme Manager	Forestry Commission
Lynne	Woodworth	Apprenticeship Manager	Department for Work and Pensions
Joanne	Worrall	Training Manager	Dark Star Scotland Ltd
Damien	Yeates	Chief Executive	Skills Development Scotland
J S	Young	Director	Chap Construction
Jim	Young	Managing Director	Veitchi Group
Stephanie	Young	Strategic Relations Director	Skills Development Scotland
Bryan	Yule	Managing Director	AC Yule

History

Modern Apprenticeships (MAS) were originally developed to meet employers' demands for vocationally related qualifications with a job-specific content which could largely be delivered through workplace-based training.

Modern Apprenticeships are aimed at those aged 16 and above and capable of achieving a vocational qualification (VQ) at Level 2 or higher. The programme can be used to train existing employees or new employees. Any company in Scotland - whatever its size - can take part in the programme. Potential trainees need to be employed to take part in the programme. Young people 18 and under without a job can currently consider Skillseekers or Get Ready for Work as a vocational training alternative.

What is a Modern Apprenticeship Framework?

A Modern Apprenticeship (MA) is a vocational training award. It is not a qualification in itself, but each MA framework contains separately assessed elements around knowledge-based, competence-based, and core skills. Most MA Frameworks are underpinned by Scottish or National Vocational Qualifications (S/NVQs), which are built on National Occupational Standards (NOS).

To complete their MA, candidates must achieve an S/NVQ (or appropriate accredited vocational qualification) at level 2 or above and all 5 core skills - IT, Problem Solving, Numeracy, Communication, Working with Others.

Who Does What?

The Scottish Government develops policy in relation to vocational training.

Skills Development Scotland delivers of the Modern Apprenticeship Programme and sets levels for and provides funding.

Sector Skills Councils and Sector Skills Bodies –

- develop suitable and appropriate structure and content of frameworks for their sector;
- promote and encourage MA recruitment amongst employers,
- certify the final MA award.

The Modern Apprenticeship Group approves MA frameworks and provides advice and guidance to SSCs developing frameworks

Employers themselves can carry out the training. However, some parts of the training are often provided by private training providers, colleges or voluntary organisations. There are many different models for supplying training to new apprentices to maximise flexibility within the programme.

Framework Development

Modern Apprenticeship frameworks are owned by the respective Sector Skills Council (SSC) or Sector Skills Body (SSB) which is responsible for ensuring that the content meets employers' needs and is kept relevant and up to date. National Occupational Standards are also owned by SSCs and SSBs, which are also responsible for the design of S/NVQs.

The Modern Apprenticeship Group pays particular attention to the evidence submitted in relation to employer engagement and evidenced demand from employers for any given framework.

Framework Level

Almost all of the MAs currently in training in Scotland are working towards Level 3 Frameworks. In Skills for Scotland the Scottish Government committed to implement the conclusions of the Modern Apprenticeship Consultation and in particular extend MAs to S/NVQ Level 2. The first MA frameworks at level 2 were approved in October 2008 in Construction and Food & Drink, with Hospitality due soon. This extension of the MA programme provides increased training opportunities for employers.

EMPLOYER FOCUS

Employed Status

In Scotland, all individuals pursuing the award of a Modern Apprenticeship must currently be employed. This offers the opportunity for individuals to train to a supervisory or craft level whilst receiving a wage. There was overwhelming support for the continuation of the employed status requirement in Scotland as part of the Modern Apprenticeship Consultation in 2006.

Employer Led

Demand for skills ultimately flows from the business strategy being pursued by employers and their decision to provide training for employees.

Skills demands are affected by ever-changing market conditions and the key challenge for Modern Apprenticeships is being able to adapt to these market-driven changes.

FUNDING

Public Sector Support

The current focus for public funding for Modern Apprenticeships is to support young people entering the workforce from school. Support is also targeted to reflect the Scottish Government's economic policy and traditional sectors where the value of an MA is recognised by employers.

Funding policy in Scotland is based on making a market- tested contribution towards the costs of achieving an MA award with the balance of funding being provided by the employer.

Contracting Process

As above, to maximise flexibility on the programme there are a number of routes employers can follow to supply training for their apprentices. Skills Development Scotland (SDS) contract on an annual basis with a range of employers, industry bodies, private training providers and colleges for the delivery of training and assessment services in the workplace. This activity is mainly directed towards the completion of Modern Apprenticeship in key sectors and groups in the Scottish workforce.

The contracted training provider is also responsible for securing the agreement of an employer to providing the required level of support for those working towards the achievement of a Modern Apprenticeship award.

Funding Contributions

Funding contributions made available by SDS vary between £1,500 to £9,000 depending on the level and type of MA award being undertaken and the age of the apprentice. As an illustrative example, the Skills Development Scotland contribution towards the achievement of MA awards in the construction industry is given in the following table -

Skills Development Scotland: contribution levels for 2009-2010 in Construction	
Vocational Qualification at Level 2 for 16-19 age group	£3,000
Modern Apprenticeship at level 2 for 16-19 age group	£3,050
Modern Apprenticeship at level 3 for 16-19 age group	£7,500
Modern Apprenticeship at level 2 for 20+ age group	£1,550
Modern Apprenticeship at level 3 for 20+ age group	£3,500

Completion Rates

MA completion rates in England are presently lower than in Scotland and their programme target is to increase this to 70%; in Scotland overall completion rates are already at and exceeding the 70% rate.