# Apprenticeship targets for public sector bodies - response form

The consultation is available at: [www.gov.uk/government/consultations/public-sector-apprenticeship-targets](http://www.gov.uk/government/consultations/public-sector-apprenticeship-targets).

The closing date for responses is **4 March 2016**.

Please return completed forms to:

Apprenticeship Targets for Public Sector Bodies Consultation
Department for Business, Innovation and Skills
Bay C, Level 2,
2 St Paul’s Place
125 Norfolk Street
Sheffield S1 2FJ

Email: apprenticeshipslegislation@bis.gsi.gov.uk

Information provided in response to this consultation, including personal information, may be subject to publication or release to other parties or to disclosure in accordance with the access to information regimes. Please see the consultation document for further information.

If you want information, including personal data, that you provide to be treated as confidential, please explain to us below why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we shall take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department.

I want my response to be treated as confidential [ ]

Comments: Click here to enter text.

## Questions

What is your name? Matthew Creagh

What is your e-mail address? mcreagh@tuc.org.uk

What is your job title? Apprenticeship Delivery Officer

When responding please state whether you are responding as an individual or representing the views of an organisation:

I am responding as an individual [ ]

I am responding on behalf of an organisation [x]

If you are responding on behalf of an organisation, please make it clear who the organisation represents by selecting the appropriate interest group on the consultation form and, where applicable, how the views of members were assembled.

What is the name of your organisation? **Trades Union Congress**

Please check the box that best describes you as a respondent:

|  | Respondent type |
| --- | --- |
| [ ]  | Business representative organisation/trade body |
|[ ]  Central government |
|[ ]  Charity or social enterprise |
|[ ]  Individual |
|[ ]  Large business (over 250 staff) |
|[ ]  Legal representative |
|[ ]  Local government |
|[ ]  Medium business (50 to 250 staff) |
|[ ]  Micro business (up to 9 staff) |
|[ ]  Small business (10 to 49 staff) |
|[x]  Trade union or staff association |
|[ ]  Other (please describe) Click here to enter text. |

Introductory Comments

The TUC welcomed the apprenticeship levy as a means of boosting employer investment in apprenticeships and as a way of incentivising employers to participate in the apprenticeship programme. The drive to create more apprenticeship opportunities for young people is welcome, but we have stated that this must be accompanied by a commitment to improve the quality and status of apprenticeships, with robust quality assurance processes put in place to monitor and enforce quality standards.

Apprenticeship creation in the public sector should be based on the genuine long term skills needs of the sector rather than a numerical target.

There is a real concern amongst public sector affiliated unions that the introduction of public sector targets could lead to a detrimental impact on the quality of Apprenticeships.

The creation of apprenticeship targets in the public sector poses a set of unique challenges:

Are there sufficient, *deliverable,* Apprenticeship standards/frameworks in place which would enable the public sector to meet their long term skills needs via apprenticeships?

There is a concern that the apprenticeship standards, which would be the vehicle to deliver high quality skills for the public sector, are not in place.

ATL, the education union, has flagged up that as there are no teaching apprenticeship frameworks, all apprentices will have to be employed in non-teaching roles. ATL is concerned that not enough appropriate apprenticeship frameworks exist for occupations in schools to enable recruitment of sufficient numbers to reach public sector targets.

There is further evidence of this in the health sector where there are only a limited number of apprenticeship frameworks for clinical pathways.

Apprenticeship creation as a cost cutting exercise

The Royal College of Midwives has highlighted a paper[[1]](#footnote-1) which was recently tabled by Sandwell and West Birmingham NHS Trust, in light of recent apprenticeship proposals. Despite confirming that apprentices would be offered a job at the end of their apprenticeship, the proposal is based on replacing all vacant bands 1-3 positions with apprentices. These apprentices would be paid the ANMW. The Trust present the proposal as a cost saving exercise.

*“This would provide an annual salary efficiency of circa £1.9million”*

This type of approach does not focus on providing high quality training for young people entering the sector. It does not factor in the future skills needs of the sector. This approach is based on a financial decision to save money by using the apprenticeship national minimum wage instead of current wage rates and is effectively downgrading existing jobs.

Apprenticeships and job substitution in the civil service

A recent Cabinet Office document has flagged up the real risk that apprenticeship targets in the public sector could lead to job displacement and redundancies in order to reach the public sector target.

*“The Civil Service Compensation Scheme consultation states that the scheme “remains too expensive in light of the national debt and budget deficit leaving less money available to support those where necessary. This is especially acute because of the requirement to reduce current staff numbers due to both the spending review and the need to create space to allow for the recruitment of apprentices.”*

Existing staff should not be at risk from redundancy in order to create apprenticeship places.

Potential to drive down apprenticeship quality

There are concerns that in order for public sector organisations to utilise their levy fund and to reach their public sector targets, they may have to deliver a number of lower quality apprenticeships, which are easier and cheaper to deliver.

The TUC is concerned that apprenticeship creation in the public sector will not be aligned to the future skills needs of the sector or lead to secure employment for those apprentices undertaking an apprenticeship.

There is a real risk that setting targets for apprenticeship starts in the public sector will lead to a deterioration in the quality of apprenticeship programmes and employment standards for the public sector workforce.

Question 4 (paragraph 62)

Should certain bodies be grouped together for the purposes of the target?

 [x]  Yes [ ]  No [ ]  Not sure

If Yes, which are these (please list) and state why:

Groupings of large employers in a sector should be permitted. This would enable:

* + Existing skills infrastructures relating to Apprenticeships, which are working well, to continue to operate
	+ Greater control and harmonisation of quality standards across a particular sector
	+ Easier and greater consistency of reporting from public sector organisations
	+ Greater ability to plan apprenticeships which meet the needs of both the individual and the sector, specifically the ability to identify skills needs across the whole sector
	+ Sharing of best practice, including information on high quality apprenticeships which enable young people the chance to progress to careers in the public sector
	+ Relevant public sector bodies to work together to identify genuine skills gaps and establish cohorts of apprentices to fill these gaps. There is a risk that the cohort of learners at one organisation may not be large enough to find a provider able to deliver the off the job training of an apprenticeship

Question 5 (Paragraph 62)

Do you have any other comments on the list of organisations?

Click here to enter text.

Question 6 (Paragraph 69)

Do you agree that headcount is the correct basis for the target?

 [ ]  Yes [x]  No [ ]  Not sure

If No, please give reasons why not:

We do not agree that headcount is the correct basis for the target. The TUC supports the alternative option of using FTE numbers, for the following reasons:

* + Using the headcount figure may not give an accurate impression of the size and depth of the workforce. Using “headcount” as a basis would include part time workers, agency workers and temporary workers. Whilst these workers are an invaluable part of the workforce, headcount gives a misleading impression of the size of an organisation and therefore the number of apprentices that they would be required to take on to reach their public sector target. Therefore you may end up with apprenticeship targets for organisations which are unrealistic and unachievable.
	+ Also apprentices need additional support and guidance in the workplace. Using headcount as the basis for the target might give an over inflated impression of the amount of support from colleagues that might be available in the workplace. Using FTE would provide a more accurate reflection of the amount of support for coaching/mentoring and on the job training that an apprentice is likely to receive in the workplace.
	+ Many career pathways in the public sector require specific graduate qualifications and registration through regulatory professional bodies. The TUC believes that the public sector target should therefore be on a FTE basis and based on the staff grouping whose job roles could be the end result of an apprenticeship pathway.

Question 7 (Paragraph 74)

Do you think there is any further information that should be provided?

 [x]  Yes [ ]  No [ ]  Not sure

If Yes, what should this information be?

The government has committed to improving the quality of apprenticeships. To ensure that the quality of apprenticeships in the public sector can be effectively monitored, further information needs to be collected about the key quality indicators of apprenticeships. The current proposals would enable the government to collect data about the numbers of apprenticeships but not the quality of the apprenticeships. In addition to the reporting requirements around numbers of apprentices, public sector bodies should also report the following:

* + Pay levels of apprentices and how these pay levels have been determined. For example, by reference to relevant collective agreement.
	+ Apprenticeship frameworks and standards which are being undertaken
	+ The levels and qualifications being undertaken by apprentices
	+ The duration of apprenticeships being undertaken
	+ Statistics relating to the demographics of apprentices working in the public sector so that steps may be taken to address underrepresentation of certain groups
	+ Progression of apprentices into higher level apprenticeships or secure employment
	+ The number of apprentices that have been recruited via an Apprenticeship Training Agencies
	+ Completion rates of apprenticeships undertaken in the organisation
	+ The breakdown of new entrant apprenticeships and the number of existing staff being transferred onto apprenticeships
	+ The number of young offenders who are being offered apprenticeship opportunities in the public sector

The reporting requirements proposed at paragraph 72 seem onerous. Reporting requirements should cover the number of FTEs in the organisation and the number of apprentices who work for the body at the end of the reporting period.

Question 8 (Paragraph 79)

Do you agree that the target periods set out at paragraph 78 are correct?

 [ ]  Yes [x]  No [ ]  Not sure

If No, please give reasons why not:

The TUC believes there should be greater alignment between the introduction of the apprenticeship levy and the reporting periods. The levy is not due to be in place until 2017, meaning that some organisations will need a substantial lead in period before they setup apprenticeship programmes. This lead in period should be taken into account and reporting periods established to reflect this.

Question 9 (Paragraph 79)

Do you have any other comments about the contents of this consultation document?

 [x]  Yes [ ]  No [ ]  Not sure

If Yes, please state what:

* Consideration should be given to allowing public sector organisations to adjust their public sector targets downwards where higher level apprentices are taken on. These apprenticeships are more likely to address the future skills needs of the organisation. The TUC believes that these apprenticeships would require more employer resources and the commitment to delivering higher quality apprenticeships should be recognised by adjusting the targets.
* Where apprenticeship standards and frameworks are not available to meet the skills needs of the public sector, the target should be revised downwards. For example, public sector affiliated unions flagged up that there were only a limited number of frameworks for the clinical pathways in the health sector. The TUC feels that where this is the case, targets should be adjusted accordingly.
* We welcome the reference in the consultation document to ensuring that apprenticeships should be representative. We believe that further work needs to be done to set out practical steps that public sector organisations can take to widen access to their apprenticeships. This should include publishing guidance.
* Many apprentices joining public sector organisations will not be eligible for automatic enrolment into a workplace scheme due to being under 22 years of age or receiving wages of less than the earnings trigger. This effectively discourages them from contributing towards a pension. They could miss out on valuable deferred wages in the form of pension contributions. We hope that many of these young people would have a long career in the public sector. We also know the importance in retirement saving of building up pension entitlement as early as possible. Therefore action should be taken to ensure that apprentices enrol in workplace pension schemes in the public sector and that starting their public service careers as apprentices does not impact their long term financial security.
* The government has emphasised the importance of high quality apprenticeships. The consultation document does not set out how the quality of the new apprenticeships in the public sector will be monitored. The Institute of Apprenticeships should play an important role in agreeing and monitoring the standards of apprenticeships in the public sector. For this to happen, there must be effective public sector representation and trade union representation on the board of the Institute.
* Providers that are involved in delivering public sector apprenticeships must adhere to robust quality standards which are agreed by key stakeholders.
* FE Area reviews should take into consideration the additional pressures which will be placed on providers as a result of the public sector apprenticeship targets
* Public sector levy contribution should be ring fenced to fund public sector apprenticeships only. The Skills Minister has indicated that SMEs will be able to draw down apprenticeship funding from the levy fund, rather than from the SFA grant. This also suggests that government funding of apprenticeships will be significantly decreased or removed altogether.
* The TUC is concerned that public sector organisations will be able to count apprentices who are directly employed by Apprenticeship Training Agencies (para 42) rather than by the public sector organisations themselves. This provision would actually encourage public sector organisations to use these agencies to take on apprentices.

The TUC strongly believes that apprentices should be directly employed by their host organisation. This inevitably leads to higher pay for apprentices (due to the top slice which an ATA would take) and greater job security for apprentices.

An important indicator of quality within the apprenticeship programme is an employer who has ownership of the apprenticeship programme, responsibility for their apprentice and an interest in their apprentice (as their employee).

This provision seems to be placing an emphasis on quantity over quality.

Consideration should be given to promoting the GTA model.

Do you have any other comments that might aid the consultation process as a whole?

Please use this space for any general comments that you may have, comments on the layout of this consultation would also be welcomed.

Click here to enter text.

Thank you for taking the time to let us have your views. We do not intend to acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply [ ]

BIS/16/24/RF

1. <http://www.swbh.nhs.uk/about-us/trust-board/public-trust-board-papers/2016-2/> [↑](#footnote-ref-1)