

Public Accounts Committee Apprenticeships Inquiry: WorldSkills UK Response

1. WorldSkills UK welcomes the opportunity to respond to the Public Accounts Committee's inquiry into apprenticeships. WorldSkills UK is the UK's high performance skills body. We champion world-class standards and are an accelerator for young people. We power aspiration through skills competitions and experiential careers events. Our extensive interaction with young people, schools, colleges, independent training providers and businesses places us at the centre of the debate on how to ensure apprenticeships policy is developed to deliver the best possible outcomes for young people.

1.1 The Government's increasing focus on apprenticeships has been a positive development. Apprenticeships offer young people excellent opportunities to build greater expertise in their chosen careers and learn skills that will benefit them throughout their working lives. WorldSkills UK believes that there are two key areas to focus on that will help ensure that apprenticeships policy achieves the results that everyone wants to see. The first is with respect to driving demand for apprenticeships. There is a long-term challenge around the apprenticeship route not being viewed as attractive as the university route by both young people and parents. These perceptions can be changed by ensuring that investment is properly targeted in careers advice and programmes that give young people the opportunity to experience the world of work and apprenticeships. Further, it is vitally important that as the volume of apprenticeships starts increases in the years ahead, the quality of apprentices' learning experiences follows the highest possible standards. In this response we set out how:

- WorldSkills UK, through WorldSkills UK Competitions, The Skills Show and Skills Champions, is fundamental to driving demand for apprenticeships and promoting social mobility
- WorldSkills UK strongly supports the Government's target to achieve 3m apprenticeship starts in the lifetime of this parliament
- We welcome the apprenticeship levy as a sensible solution to the funding of apprenticeships and support the establishment of the Institute for Apprenticeships
- High quality apprenticeships can be delivered by using WorldSkills UK Competition standards

2. WorldSkills UK, through WorldSkills UK Competitions, The Skills Show and Skills Champions, is fundamental to driving demand for apprenticeships and promoting social mobility

2.1 WorldSkills UK Competitions are designed to inspire young people to be ambitious in their pursuit of skills to the highest level. Run in over 60 skill areas from construction and engineering through to creative and hospitality, the competitions include a series of tests designed by industry experts which focus on the highest UK and international quality standards. Crucially, many of the competitors are apprentices who have typically attended their local state schools and colleges of further education. What competitions do is push and stretch apprentices' skillsets to give them 'over and above' what they would get out of a stand-alone apprenticeship. Competing makes apprentices work harder and strive to achieve more – ultimately this is good for apprentices, good for employers and good for the economy. The statistics back this up: 85% of competitors think that competing has increased their technical skill levels; and 88% of competitors felt that taking part had improved their chances of getting a job or promotion¹. Many of our former competitors are now pursuing successful careers across a range of sectors encompassing employed and self-employed roles.

2.2 The UK is part of WorldSkills, a global organisation responsible for skills competitions. A central part of WorldSkills' remit is to organise the biannual WorldSkills Competition. This brings together over

¹ Independent evaluation of The Skills Show 2015.

50 competing nations with the aim of identifying the world's best in the full range of skills. At the last international competition in Brazil (WorldSkills Sao Paulo 2015), the UK achieved its best ever result – finishing seventh overall. 82% of the UK team achieved world class standards. Fully 60% of the team were apprentices, with a comparable number in 2013. Achievement at the international level is the ultimate representation of the WorldSkills UK model. Our gold, silver and bronze medallists – a majority of whom are apprentices – can truly claim to have achieved and exceeded world class standards. These young people, and the success they achieve, are powerful role models for the Government's three million target. Widespread media coverage, including national BBC TV coverage, helps raise the profile of apprentices and demonstrates to a new generation the opportunities that are there to be grasped. Rianne Chester, a 22-year-old from Warrington won a gold medal and the award for the highest overall score at WorldSkills Sao Paulo 2015 – the first time the UK had won the latter award. Her background – attending her local comprehensive school and further education college – is typical of that of our competitors. As Rianne says: 'Being involved with WorldSkills has changed my life completely. Before I started competing I was working in a salon and now I have my own business and I am looking to expand'.

2.3 The Skills Show – the nation's largest skills and careers event – is a premier platform for discovering apprenticeship opportunities. It has actively engaged thousands of young people every year since 2012 – and it works. We know that over half of young people consider an apprenticeship after attending the Show¹. The Show's model, built around 'have a go activities', top class expert advice and heavily featuring skills competitions, is unique – there is nowhere else in the UK that engages young people in this way. It is especially powerful for encouraging interest in apprenticeships since it allows young people to envisage their potential 'career journey'. At The Skills Show, a young person has the opportunity to hear from an apprentice about how their life has changed since taking that route; they can experience, interactively, what an apprenticeship might be like in the full range of skills; and they can see those skills being applied to national standards through the skills competitions. This '360' perspective is only possible at an event with the scale and scope to deliver it. It's why The Skills Show is so successful and why apprenticeships have become an integral part of its offer. According to the former Prime Minister's Apprenticeship Adviser, Nadhim Zahawi MP, 'The Skills Show is an extraordinary event that I wish I could just bottle and take around the country'².

2.4 WorldSkills UK has developed and supports a network of Skills Champions – former competitors in WorldSkills UK Competitions – who now act as role models for the next generation of young people looking to make the most of their talents and abilities. We strongly believe that Skills Champions, and their experiences, should be utilised more widely as a way of demonstrating the benefits of apprenticeships. Having positive role models who have been through the apprenticeship route, and crucially, who other young people can relate to, is a key way in which more young people can be encouraged to become apprentices. Currently, not enough young people are seeing an apprenticeship as a viable route both post-16 and post-18; this is compounded by the challenge posed by parents often not viewing the degree route and the apprenticeship route in the same way. Skills Champions are especially well placed to act as role models to challenge and change perceptions as they themselves are young people and have a credibility that is difficult to replicate. WorldSkills UK has been commissioned by the Careers & Enterprise Company to offer peer-to-peer guidance, delivered by our Skills Champions, for young people through interactive, experiential presentations and workshops for students from years 8-10 in 100 schools across England.

3. WorldSkills UK strongly supports the Government's target to achieve 3m apprenticeship starts in the lifetime of this parliament

3.1 The Government's commitment to create 3m apprenticeships by 2020 is important and necessary. WorldSkills UK strongly supports the target and looks forward to working with the Government to help achieve it. Over 2m apprenticeship starts were seen in the 2010 parliament. These starts were achieved without some of the policy interventions – like apprenticeships being given the same legal status as degrees and public sector targets – that will be coming online in the months ahead. Moreover, the level of funding available for apprenticeships is projected to see a sizeable increase –

² Nadhim Zahawi MP, speech to WorldSkills UK parliamentary reception, 1 March 2016.

from 1.5bn in 15/16, to 2.5bn in 19/20³. This sustained, significant increase in funding levels, which will be delivered by the apprenticeship levy, provides confidence that the 3m target, whilst ambitious, will be ultimately achievable. A growing economy with an ageing workforce requires the new skills that apprenticeships offer. The UKCES Employers' Skills Survey 2015 showed that the number of positions left vacant because employers cannot find people with the skills or knowledge to fill them has risen by 130% since 2011⁴. This underlines the need to significantly expand the numbers of young people taking up apprenticeships.

3.2 WorldSkills UK believes that quality is as important as quantity when looking at the rationale behind the 3m target. If 3m apprenticeship starts are achieved by 2020 but the quality of apprentices' learning experiences has not been of a sufficient standard, then the achievement of the target will be devalued. Equally, if the level of starts falls below 3m, this will be a disappointment as the target reflects the urgency of need in the economy for the added volume of new apprentices. It would be wrong to view this however as a binary choice. There is nothing to suggest that the Government is looking to achieve 3m apprenticeships at the expense of quality. WorldSkills UK believes that it will be possible to deliver the increased numbers at the same time as ensuring quality.

3.3 We believe that the development and greater application of our activities – WorldSkills UK Competitions, The Skills Show and increasingly regional skills shows – will have an important role to play in the achievement of the 3m target. The Skills Show is a pivotal event that offers young people the opportunity to explore what an apprenticeship can offer them. We want to work with the Government and its partner organisations to ensure that more young people have a 'Skills Show experience', recognising that a national event held across three days has a defined reach. The potential role of regional skills shows that combine experiential careers activities with skills competitions in driving up demand for apprenticeships is significant. That is why we are working with the Careers and Enterprise Company to deliver regional events in the coming year in Cambridge and Manchester. We also believe that the greater application of WorldSkills UK Competition standards to apprenticeships is going to be important. Standards in our competitions are benchmarked at world-class levels; they provide the natural reference point for apprenticeship programmes to use to ensure that young people are receiving training that equips with them with robust, long-term skills.

4. We welcome the apprenticeship levy as a sensible solution to the funding of apprenticeships and support the establishment of the Institute for Apprenticeships

4.1 WorldSkills UK supports the Government's proposed apprenticeship levy. There are important drivers behind the levy's introduction. Employer-funded training has been declining year on year since 2005⁵. At a time when the economy is growing and faces skills gaps, this is an alarming trend which unchecked would have a detrimental impact on the UK's global competitiveness. Underlining this, recent Government figures show that training spend per employee has fallen by 17% since 2011⁶. There is also a sizeable productivity gap facing the UK economy. Productivity lags behind other OECD countries: UK GDP per hour worked is 17% lower than the average for the rest of the G7 and about 30% lower than the US and Germany⁷. In this context, it is clear that increased investment is required and the apprenticeship levy will bring this.

4.2 The Institute for Apprenticeships (IfA) will have an important role in guaranteeing the quality of apprenticeship starts. We welcome its establishment as a body that can provide objective assessment of the Government's apprenticeships policy and reliable data that will allow stakeholders to judge its effectiveness. We appreciate that the board of the IfA is yet to be appointed and understand that it will be primarily comprised of employers, business leaders and their representatives. Given the strong interest that business has in the successful operation of the levy, this is important. We also believe that the IfA should take into account the views of a representative range of stakeholders, including apprentices themselves. This will ensure it achieves a rounded view of the levy's operation and the

³ Rt Hon Robert Halfon MP, FE Week, 16 September 2016.

⁴ UKCES (2016). Employers' Skills Survey 2015.

⁵ CIPD (2015). Unlocking workplace skills: what is the role for employers?

⁶ BIS (2015). A dual mandate for adult vocational education: a consultation paper.

⁷ ONS (2015). International comparisons of productivity – final estimates, 2013.

quality profile of apprenticeships. As an organisation that works with a wide-range of businesses and the further education sector, WorldSkills UK stands well placed to offer its expertise to the IfA. We would be very open to working collaboratively, particularly with respect to apprenticeship quality standards.

5. High quality apprenticeships can be delivered by using WorldSkills UK Competition standards

5.1 Perhaps the most important aspect of apprenticeships policy to get right is to ensure the delivery of high quality standards. Standards matter for the young people starting an apprenticeship as they need to have the confidence that in becoming an apprentice and not going to university they can achieve the same high quality career prospects that the more established university route is shown to deliver. They matter to Government as the acid test of whether policy on apprenticeships has been a success will not be through the total numbers of apprentices in the economy but through the quality of training that those apprentices have received. For employers standards matter as through the apprenticeship levy they will be making a significant financial investment; this can reap important benefits if apprentices are properly equipped to undertake the skilled vacancies that businesses increasingly need to fill.

5.2 Clear, simple and relevant standards will underpin the quality of the apprenticeship system, so we need to ensure that they encourage world-class delivery and performance. WorldSkills UK manages a set of standards that underpin our skills competitions. According to the National Audit Office, 62% of apprenticeships started during the period 2010-2015 were at level 2⁸. At WorldSkills UK, we have developed thousands of apprentices to perform their roles at level 6 and above – the vocational equivalent of an honours degree – by preparing them for the international WorldSkills competition. We believe that the assessment processes that the skills competitions use can also help employers develop their apprenticeship structures. This method is already being used by some of the UK's multinational employers, a prime example of which is Toyota. They are using their apprentices' participation in WorldSkills UK competitions and development programmes to drive up their own training to a world-class standard. The adoption of WorldSkills UK competition standards in apprenticeship programmes can inspire apprentices to develop skills beyond competence. WorldSkills UK believes that our standards can make a significant contribution to the development of high quality apprenticeships.

5.3 For young people, colleges, training providers and employers to see the full benefit of applying WorldSkills UK standards we would like entry into skills competitions being increasingly seen as the natural complement to an apprenticeship. Thousands of apprentices have maximised their learning opportunities through competing regionally, nationally and internationally. We know that over 95%¹ of competitors believe that taking part in competitions has improved their technical and employability skills. Competing can provide lasting career benefits including the chance to represent the UK at European and international skills competitions. As the apprenticeship agenda develops, WorldSkills UK will be working with our partners to encourage greater participation.

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⁸ NAO (2016). Delivering value through the apprenticeships programme.