



Making the Business Case for Higher Apprenticeships

Higher Apprenticeship Support Service

7.11.12

Agenda

- 10.00-10.15: Welcome and introductions
- 10.15-11.15: Presentations
- 11.30-12.30: Breakout groups
 - Capturing existing effective practice/resources
- 12.30-13.15: Lunch and networking
- 13.15-14.15: Breakout groups
 - Action planning and next steps
- 14.30-15.00: Summary and close

Welcome

- Housekeeping
- Aims
- Outcomes
- Introductions

Presentations

- Segmenting and engaging with employers
- The financial case for Higher Apprenticeships
- The learner perspective and establishing benefits of Higher Apprenticeships



Segmenting and engaging with employers

Dr Kemal Ahson

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- **Large companies vs SMEs***
- **Sector specificity**
- **Supply-chains**
- **Public sector****
- **High growth companies*****
- **Geography**

*<http://www.bis.gov.uk/assets/biscore/statistics/docs/b/12-92-bpe-2012-stats-release.pdf>

** http://resources.civilservice.gov.uk/wp-content/uploads/2011/09/Classification-Guidance-2011_tcm6-38852.pdf

***http://www.nesta.org.uk/areas_of_work/economic_growth/high_growth_firms/assets/features/geography_of_growth

- **Other programmes (eg Employer Ownership Pilot)***
- **Business intermediaries****
- **Sector Skills Councils and National Skills Academies*****
- **Partners******
- **Supply-chains**
- **Commercial marketing**

*<http://www.ukces.org.uk/ourwork/employer-ownership/eo-round-one/round-1-successful-bids>

** <http://www.bl.uk/bipc/index.html>

*** <http://www.bis.gov.uk/policies/further-education-skills/employers>

**** <http://www.ofsted.gov.uk/news/money-spent-management-fees-cutting-quality-of-apprenticeships>

Segmenting and engaging with employers



Questions?



The financial case for Higher Apprenticeships

Priscilla Kendall

Context – changing funding regimes in both FE and HE and focus on apprenticeships

Who are you trying to convince?

- Providers
- Employers
- Learners

Income - Costs = surplus/profit

Provider income— note that this could also be an employer

Funding contracts

- SFA direct
- SFA subcontracted
- HEFCE

Apprenticeship framework qualifications –

www.afo.sscalliance.org

Employer status

Learner status

(SLN*NFR*PW*DU*ACU*ECF*LER)

Employer – note that this could also be a provider

Assumed contribution – 50%

Size – Large employers (over 100,000) suffer a 50% reduction in funding

Learner

If HEFCE funded - Student Loans Company (www.slc.co.uk)

If SFA funded – age critical

16-18; 19-24; 24+

SFA: “Within the Adult Apprenticeship allocation for example, we expect to see a greater focus on the recruitment of young people aged 19 to 24, rather than a maintenance of current recruitment levels for those aged over 25

(SFA Final 2012/13 Allocations Methodology briefing note - p2)

Learner - 24+ Advanced Learning Loans (from August 2013)

For Advanced and Higher Apprenticeships, a loan will be available up to a maximum of 50 per cent of the rate for the relevant framework, to reflect the assumed employer contribution towards the cost of the provision. For all other loans provision, a loan will be available up to a maximum of 100 per cent of the rate.

Where Higher Apprenticeships include qualifications that are eligible for funding by the Higher Education Funding Council for England (HEFCE), for example Foundation degrees, learners will be able to make two separate loan applications for the FE and HE elements of their Higher Apprenticeship.

(Draft Funding Rules)

Costs

Delivery modes

Group sizes

Cost allocation basis

Staffing

Consumables

Other direct costs – awarding body fees etc.

Property costs

Contribution to overheads

Return on investment

- **Economy**
- **Providers**
- **Employers**
- **Learners**

Measuring the impact of further education (BIS 2011)
NAS ROI calculator (based on 2008 research by
Warwick IER)
General ROI/impact on training



The learner perspective and establishing benefits of Higher Apprenticeships

Breda Leyne

Key questions?

- Who is in the target learner market?
- What do potential learners know?
- When is the best time to reach them?
- Where are the access points?
- How can you communicate to your audience?

Segmenting the market



Who is in the target learner market?

- **Young people still at school**
 - At GCSE level
 - Considering Higher Education
 - After the results
- **Young people not in school**
 - Gap year
 - NEET
 - Anytime
- **People in employment**
 - In an unrelated job
 - Needing to progress

What do potential learners know?



- **Young people still at school**
 - Information filtered by schools
 - Information through parents
 - National Careers website
 - NAS
- **Young people not in school**
 - National Careers website
 - NAS
 - Other internet sources
 - Recruitment agencies
- **People in employment**
 - Media
 - National Careers website
 - Employers

What do learners and parents know?



Where do they find information?

Google!

Apprenticeship

“a system of training a new generation of practitioners of a structured competency based set of skills. Apprenticeships ranged from craft occupations or trades to those seeking a professional license to practice in a regulated profession” *From Wikipedia*

Careers/ Recruitment sites

<http://www.notgoingtouni.co.uk>

<http://icould.com>

<https://nationalcareersservice.direct.gov.uk>

<http://www.careersworld.co.uk>

[BigChoice Group - Youth Recruitment | Education | Marketing ...](#)

www.bigchoiceworkgroup.com/

www.gradweb.co.uk/

- Attitude

“Apprenticeships are widely considered second best to a university education and as something for “other people’s children”.

YouGov survey of 2,184 UK adults 2010

- Associative learning experiences

Absorbed labels or opinions on a career or occupation

- What parents do for a living

- Developed skills

Activities parents choose for children or skills which they demonstrate

The awareness challenge



What do school pupils know about Apprenticeships?

A 2011 AoC survey of 500 pupils entering Year 10 found that only 7% were able to name Apprenticeships as a post-GCSE option 9.

“Apprentices, both directly and via their employers or training providers, have expressed concern to me about low levels of awareness and interest in apprenticeships in schools and, where there is interest, it tends to relate to apprenticeships in larger companies”

“School-leavers are sometimes ill-prepared for the real world challenges of being an apprentice”

Holt Review

The challenge in schools



- Careers education is patchy.
- Apprenticeships are often portrayed in schools as old-fashioned and as a second class option suited only to the “less able” or the “more practically focused” pupils.
- Able pupils are often encouraged to go on to A Levels and degree.
- Is destination data good news?

Key messages for learners?

- **Learner as consumer**
 - Costs of education
 - Return on Investment
 - Earning while learning
- **Progression opportunities**
- **Being valued**

Core messages to potential SME apprentices

- Early and real responsibility within a small team.
- Is about learning a craft, skill or profession whilst earning a wage.
- Gaining a qualification which is nationally recognisable for its excellence.
- Can lead to you becoming multi-skilled and making a real difference for the whole organisation.
- Follows in the footsteps of top entrepreneurs.
- Is more likely to be local and embedded in your local community.



Break out groups

Morning Breakout groups

- Taking the three strands
- Capturing existing effective practice
- Identifying resources already available
- How can this be consolidated and shared?



Lunch



Breakout groups

Afternoon Breakout groups

- Prioritise development areas
- Action planning
- Allocating tasks
- Next steps

Summary and close

- Feedback
- Questions
- Next steps

Contacts



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