Baroness Cohen and Lord Lucas  
House of Lords  
London  
SW1A 0PW

27 February 2017

Dear Baroness Cohen and Lord Lucas,

Thank you very much for your thoughtful contributions to the Technical and Further Education Bill’s Committee session on Wednesday (22 February).

There were a few issues we discussed where I agreed to write to you to clarify matters. Enclosed are explanations and further information on these areas, which I hope fully respond to your enquiries. However, if it would be helpful to arrange a further discussion on these topics with relevant policy officials from within the Department for Education, please do get in touch with the Bill Manager, Kate Ridley-Moy (Kate.Ridley-Moy@education.gov.uk; 0207 340 7573).

I will also place a copy of this letter in the House Library.

[Signature]

LORD NASH
Regulation of apprenticeship standards

Standards development and approval

Standards for all apprenticeships, levels 2-7, will be developed by groups of employers and other stakeholders with an interest (e.g. professional bodies and providers). All standards will be subject to third party scrutiny and challenge before they can be submitted to the Institute for Apprenticeships for approval. The Institute then approves or rejects each standard, based on a set of criteria.

Funding

Degree apprenticeships are assessed for costs and allocated a funding band which sets the maximum funding that the government will pay for the off-the-job training element of the apprenticeships. This training will be paid for either through the levy for those employers who pay the levy or through government co-investment for those that do not pay the levy.

Regulation

Ofsted and HEFCE both have statutory responsibilities in relation to the regulation of apprentices.

Ofsted have a statutory responsibility to inspect and regulate services that care for children and young people, and services providing education and skills for learners of all ages. The Skills Funding Agency (SFA) funds skills training, and therefore Ofsted are responsible for quality assuring training funded by the SFA and the apprenticeship levy. Ofsted currently inspect training up to level 5.

HEFCE has a statutory responsibility to quality assure Prescribed Higher Education Qualifications. For degree apprenticeships, this means the off the job training provided by the HEI, which is essentially the degree qualification.

Improving parents’ confidence in apprenticeships

Government runs a highly successful promotional campaign for apprenticeships – ‘Get in Go far’. The campaign was launched in Spring 2016 to challenge negative perceptions of apprenticeships and to encourage more people to want to take an apprenticeship. The aims of the campaign aims are:

- To show young people, their parents, teachers and employers, what apprenticeships really look like in the twenty first century.
- To achieve societal shifts in attitudes which is crucial to inspire this generation of school leavers, and those who follow them, to take on an apprenticeship.
- To see businesses up and down the country re-evaluating the benefits an apprentice could offer to their business.

As well as driving more than 117,000 applications since launching, the campaign has
started to achieve a much bigger impact on societal perceptions. We have already secured a:

- 9% increase in understanding that you can get a degree through an apprenticeship
- 7% decrease in the belief that apprenticeships are for those who can’t get into university
- 5% decrease in the belief amongst parents that apprenticeships are mainly for lower-level or manual occupations

However, we accept that it will take time for perceptions to change. The best way for this happen is for more employers to offer apprenticeships and more people either embarking on successful careers or developing and progressing in an existing career through doing an apprenticeship.

Institute’s role regarding standards

So far, 164 standards have been approved for delivery and a further 331 are at various stages of development. This will increase over time with regular opportunities for employer groups to propose the development of new standards. These will be reviewed against our criteria including alignment with the routes set out by the review led by Lord Sainsbury. Each standard is due for review after three years unless the Trailblazer has decided that a review after a shorter period of time is necessary (as is the case for Digital standards).

The Institute will have a team of 15 staff and 18 Relationship Managers to support Trailblazers in the development and review of standards.

Institute’s leadership role for apprenticeships

In the Strategic Guidance document from the government to the Institute, we intend to ask them to carry out a leadership role in relation to apprenticeships, across the system as a whole and with other partner organisations. However, the Institute does not have a statutory role to carry out specific functions across the whole system.

Institute’s oversight of end-point assessments

There is an end-point assessment for each standard, and the employer groups designing each assessment plan must set out how it will be quality assured. The institute has a role in overseeing all quality assurance models to ensure consistency. The Institute is currently designing how it will carry out this function.
Frequency of Ofsted inspections

Ofsted inspects on a risk proportionate basis so that inspection resource is used most efficiently and is directed to the highest risk providers and will have the most impact. We want all providers to achieve Ofsted good judgements and seek to identify those which are less than good.

Ofsted assesses risk by reviewing performance data, learner and employer views about providers, information provided by the SFA and other relevant information. All providers are assessed for risk annually. Wherever new relevant information comes to their attention they take it into account in assessing risk.

If they identify a provider where there is a cause for concern they will inspect it early (and in the case of a provider that has been judged good that has declining performance, they will carry out a full rather than a short inspection).

On the other hand, if they find a provider to be outstanding, they will not inspect it again unless its performance declines.

Below is a summary regarding the frequency of Ofsted inspections:

- New providers of apprenticeship provision will be inspected within 3 years (that would be many of them)
- Outstanding providers will not be inspected – unless their performance drops
- Good providers will have an inspection within 3 years. This will usually be a short inspection but will be a full inspection if the provider is identified as a risky provider.
- Providers that ‘require improvement’ will be inspected within 2 years (with support in the meantime)
- Inadequate providers will be re-inspected within 15 months (with support in the meantime).