

## Shelton Fleming Associates Ltd

### Second Q & A Session

#### **PANEL:**

Simon Barclay

S. Gardner

David Way

Lorna Unwin – Prof. Vocational Education, University of London

Adrian Holmes – CE, ESG Group

Graham Huille(?)

#### **EMPLOYERS FROM BUSINESSES IN AUDIENCE TAKING QUESTIONS:**

Rod Kenyon, Centrica

Gerard Crittal, Clarkson Evans, Electrical Company

Facilitator: George

#### **Facilitator**

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George and Stephen both indicate the importance of ensuring that young people and parents understand the relevance of apprenticeships. The message needs to be delivered by schools at year 9. What plans are there to involve schools as key players in delivering the message? David do you want to kick off with that?

#### **David Way**

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We know that absolutely key to all this is to ensure that we can get to all the people who are influences on young people and to ensure that they really understand what apprenticeships are about. In the present legislation and in future legislation there will be a responsibility on the schools to ensure that they provide full access on the range of opportunities including apprenticeships, and that that is presented objectively. So I think that's progress. The NAS the National Apprenticeship Service will work directly with schools to support, but don't forget what I said earlier, because I do think it's important that young people and parents gain access to information about the world in very different ways these days, which is why we really want to exploit the web-based materials so that people can really understand what the experience of young people is like, and the choices they are making. So I think we're going to go about it in a variety of ways, but absolutely agree we need to influence young people and influence them early.

#### **Facilitator**

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I'm going to one more card and perhaps we'll put this to Rod and Gerard, see what business can do about this. When will the snobbery of academic versus vocational qualifications be removed and allow youngsters to make an informed career decision? Can business do anything about that? Let's start with you Gerard.

#### **Gerard Crittal, Clarkson Evans**

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I think business can do a great deal to change it. First of all, let's start with some good news because the sea has changed. When we started recruiting apprentices in quite large numbers a few years ago, we received the typical construction apprentice, perhaps academically not the best achiever, but it's totally changed. We now receive apprenticeships from people who have sports degrees, A Levels, higher education, good GCSEs, not such good. I think that's because lots of people have been involved in going into schools, talking to employers and seeing the success that young people have by completing apprenticeships. So I think there's an awful lot

has already happened and I think employers can do an awful lot more by engaging the schools, especially teachers, in understanding what's in an apprenticeship these days and what the benefits are and what the career paths are. I think that's some really good news that that has really changed already.

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**Facilitator**

Rod do you want to add something to that?

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**Rod Kenyon, Centrica**

I think a lot of what David said before addressed this. I think employers have got to do more in terms of relating better to the education sector and schools in particular. What I would like to see is more assessment of schools taking into account their performance in the number of people who achieve apprenticeships as opposed to just results of A Levels, showing the rounded performance of a school. But this snobbery thing, don't expect employers to change this, it's been here a long time. But some of the things you've heard today, Graham and even Roy admitting and being proud of the fact that they were actually short of apprentices, all helps I think to get the message over that there are many routes in this life, and lifelong learning is about lifelong learning and you don't have to go through that conventional GCSE, A Level, university route. And we at British Gas for instance get applicants, like the questioner mentioned, with A Levels and degrees now. So I think we've just got to open up this route that an apprenticeship is a real and coherent way to senior roles in industry and business.

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**Facilitator**

As you say, the snobbery thing goes all the way down and is not just a business problem.

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**Rod Kenyon**

It's a children thing that you mentioned.

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**Facilitator**

Exactly but I also read, and I was doing some research on this last night, that people who go through an apprenticeship often earn more than somebody who just takes a kind of social sciences degree and goes off and works as an administrator. So could business do something more about showing that actually there's money to be made in this.

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**Gerard Crittal**

I wouldn't knock social science degrees.

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**Facilitator**

Well I've got one.

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**Gerard Crittal**

There is a point and we had a very interesting case when the microbiologist at Birmingham University decided to become a plumber. He was packing in doing microbiology and wanted to be a plumber. It's little stories like that which the media pick up and even the six o'clock news might pick up, which get people more interested, thinking well I don't want to sell apprenticeships just by earning more money. That's a wee bit sordid, isn't it.

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**Facilitator**

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No.

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**Gerard Crittal**

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No I think you want to sell a much broader product about job satisfaction and career. Money is important, of course it is. But I wouldn't just focus on it. But by all means bring out examples where they're relevant.

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**Facilitator**

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Let's go to our first question.

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**Rob Bosworth – Exeter College**

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I just wanted to ask the panel, taking up a point from one of my colleagues earlier saying about the fact that we're lacking matching employers at the minute for apprenticeships. And obviously we're embracing and aspiring to world-class apprenticeships with a new framework. But does this mean the end of 16 to 18 full-time state funded education in vocational pathways, such as full-time construction certificates etc?

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**Facilitator**

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Shall we go to the West Country first, perhaps?

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**Unknown Speaker**

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It's very interesting. I don't think we want to put an end to full-time college courses 16 to 18 because that seems to say that there is no value in them and that's not correct. What we've had for many a long year is a misrepresentation of the comparative values of different routes. We've talked about the GCSEs, A Levels, university route, we've now talked about the 16 to 18 full-time college route. We've also got the work-based learning route, the apprenticeship route. Now all of these are high class, high value and what we've got to start getting the next generation to understand is they are all top class routes and they should start thinking about which is the right route for them. That has got something to do with learning styles and indeed aspiration. It's got something to do with being paid as you learn. There's a whole range of issues in there and that debate has not been well informed and that's what we've got to do. Then let the youngster make an informed choice about which route they take.

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**Facilitator**

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David.

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**David Way**

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I think there is something we do need to work through under these lists however and that is we do expect more college vocational courses to place a higher premium on ensuring employment at the end. And particularly if you want an apprenticeship label attached to it, which increasingly you will because of the kudos that comes from that, then you've got to have the employer engagement at the end of it. So I think we've got to recognise that shift because if we do believe in apprenticeships, we do therefore believe in employment opportunities and the pathway towards that. That does place I think an increasing premium on colleges running vocational courses to be engaged with ensuring job outcomes at the end.

## **Facilitator**

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And do you feel that's fair then, if it puts not just an extra premium, an extra responsibility on colleges. Are colleges do you think able to do that, live up to that new responsibility that's been put on them.

## **David Way**

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The most important thing is it's not just about colleges, it is about training providers. We work in partnership with a number of training providers. But training providers as a whole would certainly welcome this, no doubt about it. It's something that we're trying to do proactively anyway and we welcome all of this. My concern as my colleague raised earlier from the West Country also is that this is aspirational. At the minute there's obviously not enough employment to match these apprentices and obviously if we're looking at a convergence here of vocational pathways into apprenticeships, there's going to be a deficit where actually there is full-time education going on 16 to 18 until people come on board with this.

## **Facilitator**

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Rod do you want to come in, has business got a role to play then, if there's a gap between what's happening in the educational system and the apprentice system and the jobs at the end of it.

## **Rod Kenyon**

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Well I guess we have a role to play, in the sense that we provide the jobs which David refers to. I think I would just like to see increasing diversity and different routes through for young people. I've not been in the whole session this morning but I don't think the diplomas have been mentioned, they haven't have they? And I just would like to think that one size doesn't fit all in this area and I think it's important that young people are encouraged to follow a route which is appropriate for them and which leads to an employment outcome. I'm not precious about it, this is an apprenticeship summit and we are talking apprenticeships and clearly apprenticeships are the key prize in this debate today. But I would like to still see other ways in which young people can come through. And I think employers have got to be flexible in their response to the education sector and providers in providing opportunities for people following diplomas, young apprenticeships or whatever.

## **Facilitator**

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We had a question down here.

## **Sasha Korcan? Creative and Cultural Skills**

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I've been tasked with the unenviable target of 5,000 apprentices by Gordon Brown. And I'm slightly worried where I'm going to find those employers. Our sectors are 95% white, very graduate-rich, male dominated, so we have real equality and diversity issues. My question is, earlier it was mentioned that there's going to be a new marketing campaign for apprenticeships and I worry that this one shoe fits all campaign isn't sector-specific enough. We need a marketing campaign which can be led by employers, led by the Sector Skills Councils and resourced adequately so we really target our employers. Because the message isn't one message, it's very difficult to get a theatre to understand the same need for an apprenticeship as an engineering company and a bakery and so forth. So I'm asking how we can actually divert those huge sums of money that's probably going towards this one big campaign and give some to the actual sector experts to target their own employers.

## **Facilitator**

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Graham do you want to start on this, more pinpoint marketing campaign.

## **Graham Huille**

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Yes I think that's correct. In fact it's got to be a bit of both, hasn't it. At the moment a lot of the government money goes into general awareness-raising campaigns and you need that to start to re-educate society as a whole. And that is still very much needed. But there's no question, I think SSCs with their employers need to have the freedom and the resource to package up a particular set of benefits for this programme for their employers. And indeed the same thing goes for training providers as well. We tend to work within sectors as well. A lot of our training providers are sector-specific and we would want to be a part of that on the back of our sales force as well. So it's got to be both, it's not an either/or. We have tended to err towards the big national awareness campaigns, we still need them. But we do need that sector target.

## **Facilitator**

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Rod I know you want to speak but just David very quickly, how can we reassure Sasha, her very well made point, who's going to take the responsibility of making sure that this campaign is more pinpointed and deals more with sectors, sector-specific.

## **David Way**

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Well I think, Graham was saying, it does need to be more flexible and targeted on particular sectors, I agree with that. At the same time there are also some general messages about the value of apprenticeships which go across all sectors, which we need to get across. If you divide the marketing budget across every single sector, you don't have very much to spend. So it's got to be a question of balance. But can I also come back on the first point that Sasha made, the fact that your sector skills council has developed these new frameworks with employers, bottom-up, to really ensure that they are meeting the specific needs of the very many different sectors that are wrapped up in trade and culture should give you confidence that you are going to get the buy-in from your employers because that's why you've done it. That's why we're investing it that way round, to give employers a sense that this apprenticeship programme is designed for them. So I would be more confident about employers than you seem to be but absolutely backed up by specific messaging and marketing the way you described.

## **Sasha Korcan?**

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I'll just come back on that point. We consulted with over 2,000 employers but getting an employer to consult and then commit to finding £10,000 for a salary is a whole lot different. I think they're keen to shape their ideas but they're not as keen to come to the table and actually recruit. I think that's where we need to look at how we market the idea of recruiting to them.

## **Facilitator**

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Can I ask Gerard to come back on that. Can you answer Sasha, basically saying businesses are quite happy to talk, quite happy to shape but when it comes to actually putting money on the table, it's not always there.

## **Gerard Crittal**

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I understand the problem because within the electrical industry there's lot of larger companies like ourselves, like Andrew Bailey mentioned this morning, who take apprentices, but lots of small companies don't. And I wonder whether the message this morning should be that we encourage employers not to take apprentices but to take employees, employees for the future

who happen to be apprentices. It might be the same thing but to an employer it's different, because perhaps an apprentice is somebody who trains with them and then disappears. But what we're looking for is employees for the future. So people who come to our open evening on Thursday are going to be our team leaders in three years' time, our project managers in five years' time, our trainers in ten years' time and perhaps our directors in twenty years' time. So we're looking at employees rather than apprentices who may stay with us. I think too often in this sector we talk about placement and people say will they have a job at the end. Of course they'll have a job at the end, that's why we employ them. One or two won't go because of quality, as Graham said, but generally people will stay. And I think that's the message I would hope we can get to small employers, is let's keep the language simple for them so they understand it. Not that they're not intelligent but we are rather wrapped up in acronyms and bureaucracy sometimes. Let's keep it simple, keep the training relevant to them, tell them the benefits long-term, help them have strategies to keep people in employment so they don't go off to a better deal after four or five years. And then I think we can make a success of it. But I don't envy your challenge.

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**Facilitator**

I'm going to go to one of the cards now. I can't say that I entirely understand but I'm sure you're going to on the panel. But it strikes me as a rather interesting question. Is the government not creating and sending out confused messages to employers. Train to Gain Level 2 19+ free; apprenticeship level 2 19+ 37.5% fee; apprenticeship level 2 16-18 free. So does that make sense, have I read it out properly? Whoever asked that question, a very good question. David.

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**David Way**

It was pretty clear to me. I think clearly we've got to look at the way that all of the funding rates and the training systems work together. That's just a subset of some of the issues we've got here because the concentration often in the work we do is about public subsidy. But actually what we're trying to do here is to maximise private investment as well as public investment, we've got to look at the whole train of it. Some parts which government subsidise is greater than others because of the fact that employers won't otherwise want to pick up that particular element of the training.

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**Facilitator**

Are you saying there's a validity in this observation?

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**David Way**

If you give me long enough I'm sure I could take you through the pure logic that's behind it.

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**Facilitator**

Anyone else want to come in?

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**Unknown Speaker**

It's an issue and David was reluctantly confirming that. And therefore I'm on the side of the questioner. But there is always another side. Can I take you back to Sasha. We are trying to persuade employers that training and apprenticeships is good for their bottom line. If it's good for their bottom line they ought to invest in it. So there is a slight conflict here that we're also getting employers saying this is the campaign we want, but we're not prepared to pay for it. So we do have quite a mixture in here that we're trying to pump-prime. The message is out there and the message is ultimately that the employer will take responsibility for paying it, so you get mixes and matches throughout the whole system, hence some of the confusion that David is having to wrestle with.

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**Facilitator**

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Rod?

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**Rod Kenyon**

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I think they do stand up actually. I'd just say one thing before you start knocking employers. Employers spend somewhere in the region of 23 billion pounds a year on training in this country, so don't knock employers because there's different rates being talked about here and different sorts of subsidy. There's still an awful lot of money being spent by employers on training.

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**Facilitator**

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If I go to the next card, and there are more, anyone got a question from the floor? A comment, we'll take some comments.

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**Bob Millington, Consultant Engineer specializing in training and education, Toyota Academy Nottingham**

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One point that might help lower the risk of recruitment for employers may be worth considering. When employers recruit youngsters directly from school at the age of 16 with a clutch of GCSEs, there maybe isn't quite a test of the commitment, the ability, the dedication, the work ethic even, and that is a risk for an employer when they're going to pay a minimum of £80, up to £170 a week for a first year apprentice. So it would be better, and the government strategy of having people staying in training and education until the age of 18, it would be better maybe that training providers, private and colleges, are seen as the source and the pool for recruiting young people into apprenticeships from some kind of programme-led pathway, which has been mentioned in the past, whereby all the corners are knocked off them, or some of the corners are knocked off them, and we end up with a trainee that already can write a CV and it can be sent out to companies, companies can come to these providers and recruit from those CVs. Some corners having been knocked off in terms of capability, commitment, work ethic, attitude, very, very important. You can train for skills, you can't train for attitude. And these kind of risks of recruiting raw from 16 can be reduced possibly significantly if we recruit from a training provider or college who has put a youngster through some very sound initial training and education.

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**Facilitator**

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Rod you're looking a bit quizzical. Do you want to come in?

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**Rod Kenyon**

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I agree entirely. Give us employees with the right attitude, we will give them the necessary skills to do the job. But I do have to say that children have spent eleven years in compulsory education at the moment and there's a challenge on all of us, whether we be parents or teachers, that if you can't present a young sixteen year old with the right attitude towards work, something's gone wrong. We've failed somewhere. Just to be able to say politely good morning, be able to answer a phone, to work in teams, to understand IT, the very simple things which employers want. We'll give them all the sophisticated skills. We've all fallen down somewhere haven't we, as parents and as schools. And employers have to pick up those pieces later on. We have to pick up the pieces and have kids coming who don't want to turn up at the proper start time, who want to arrive late, who don't want to wear the appropriate clothing.

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**Facilitator**

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We've got about two or three minutes, so I'll take two last questions and if you can make it as quick as possible.

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**Public Sector Training Provider**

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I'm one of those training providers that comes from the public sector if you like. So I'm one of the people that you've been talking about all morning off and on. I'm very much involved in the public sector, we are the only people in our city council. We're a sport and leisure training provider but we're the only people in our city council that actually run apprenticeships, there isn't another one. What I want to ask is, I'm trying to knock on doors and trying to make the obvious connections for it go right across our city council. How can you help me, how can we get in there. The process is quite logical, we're a massive employer within the city and we're the only tiny part of the city council that are running apprenticeships.

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**Facilitator**

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David, and then I'm going to go to the last question.

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**David Way**

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I think where that's been most successful is where somebody within the region in a fairly prominent position has written to all of the chief executives of all the public agencies and explained to them why this is important and I think this is very hard, I think at that high strategic level, to resist the notion that training your own staff to a decent level isn't a bad thing to be doing. The person who has made those initial contacts varies from region to region but for instance the regional minister did so in the West Midlands. I think he's had a very good response from public service employers, they are saying we sign up to this, we sign up to the skills pledge, and then it starts to come down. Still relatively early days but my advice would be to find somebody in the region, the regional director of the Learning Skills Council would certainly do that and maybe other people you can think of, to try and convene that sort of consensus of the main leaders of public services to come together and work on this agenda.

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**Facilitator**

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Thank you very much. A last question here, from the back.

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**Virginia Barrack, Lecturer at Twickenham Aucklands College**

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I wanted to go back to a previously asked question because it's an issue we are grappling with at college. And the issue is, we have Level 2 entitlement, we have Level 3 entitlement and we are also pushing apprenticeships, and this is a real issue. These are competing priorities but it also is an issue about equity. If we have 19+ learners who are for the first time picking up a Level 2 or Level 3 qualification and they choose to go down the apprenticeship route, it makes a difference because employers are then asked to make a 37.5 contribution. In which case as a college we are actually saying, let's leave it because if we do, they're not going to pay it. And I think there needs to be some joined up thinking in terms of if there are 19 pluses on either a Level 2 or Level 3 qualification, whether it be an apprenticeship or a vocational pathway-led apprenticeship within colleges, whatever it is, we should have some joined-up thinking on those particular programmes being free or they all attract a 37.5 contribution from an employer.

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**Facilitator**

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David maybe you need to have another crack at this. Clearly you didn't satisfy them first time round, there's this confusion again.

## **David Way**

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Well I certainly agree that we need to do joined-up thinking. The important thing around this is that the young person has the opportunity to pursue the route that's right for them. If there are funding rules getting the way of that, then there shouldn't be. So I take on board the message. Let's look at how we can join up the funding better. Graham I suggest this is something you and I have another conversation about.

## **Facilitator**

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But with whom, who is this conversation going to happen with. We had the question in the card and your question and I guess what people are going to want to know is in practical terms is there anything you can do as the LSC to pick up on these points and have that joined-up thinking?

## **David Way**

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Yes, in the sense that we can have discussions with Graham about the issues, make sure we really understand the issues. We can then present them both inside the LSC in terms of setting funding rates but with the departments about the various policies because the policy line is very clear, is that funding barriers shouldn't get in the way of decisions that young people take in the best interests of pursuing their careers.

## **Facilitator**

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Graham.

## **Graham Huille**

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Can I just reassure the questioner and other providers that this is on the agenda. We are in dialogue with David's colleagues about exactly some of these issues and we have providers, some in this room, yourself included, who are actually having to make decisions about do we actually offer a Train to Gain place or do we offer an apprenticeship place for an over 19, exactly because of the funding problems. So it is on the agenda and I am much reassured by David's response that the dialogue will continue.

## **Facilitator**

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I'm afraid we have run out of time. I really hope that not only from the speakers and what they had to say, but also from these discussions that we've had, the conversation if you like, that you've got enough anyway. These sort of meetings never provide all the answers but they certainly hopefully are a stepping stone to going on and going back to where you've come from and to take this thing forward. I just want to remind you that I've been asked to tell you that when you leave and hand your badge, you'll be given a USB stick that contains all sorts of helpful information which you might want and this is what it includes: an apprenticeship newsletter, a copy of the government review, a link to a new apprenticeship summit web site, the strategy for programme-led pathways, a list of apprenticeship ambassadors, network members, a link to the apprenticeship guide, and a video of the 2007 apprenticeship awards which we heard from Sir Roy Gardner. So remember to pick those USB sticks up when you go. You've also got an opportunity now to talk to each other and carry on this conversation over lunch but I'm afraid I'm going to go back and start thinking about the six o'clock news. I want to thank our panel, David, Rod and Graham and Gerard out there in the audience. Thank you very much for your participation. I hope this has been worth your while. Thank you.