Understanding Apprenticeships

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Major changes to apprenticeships

Never been so much change in last 20 years:

- The apprenticeship levy
- Framework to standards
- BAME diversity targets
- Degree apprenticeships
- Public sector targets
• The English Government is committed to reaching 3m apprenticeship starts in 2020.

• The Apprenticeship Levy will generate £3bn funding per annum by 2019/2020, double the current annual spending on apprenticeships.

• **162 apprenticeship standards** have been approved for delivery so far, of which over 28 are higher and degree apprenticeships.

• UUK found there will be a **658% increase in degree apprenticeship entrants** between 2015-16 and 2017-18, from 640 to 7,611 degree apprentices.

• Apprenticeships are a devolved policy and **Wales, Scotland and Northern Ireland** are in the early stages of development of their post-April 2017 apprenticeship policy.
Shifting from frameworks to standards

Existing frameworks

There are more than **250 different types** of apprenticeships available, offering over **1,500 job roles**

New standards

There are **147 new standards** approved for delivery and 177 additional in development. There could be as many as **1,600 standards by 2020**

Examples of apprenticeship standards available or in development:

- Assistant Healthcare Practitioner Healthcare
- Solicitor Law
- Software Developer Digital
- Chartered Surveyor Surveying
- Nuclear Welding Inspection Technician
- Professional Accountant Accountancy
- Laboratory Scientist Life & Industrial Sciences
- Junior Journalist Media
- Aerospace Manufacturing Fitter Aerospace
- Chartered Manager Leadership & Management
Apprenticeships a template for **successful work-based learning**

- **70%** of employers have seen improvements in the goods and services they offer.

- **92%** of apprentice-employing organisations say apprentices create a better, more motivated workforce, while **76%** say they make their workforce more productive.

Source: Apprenticeships that work – a guide for employers, CIPD, 2017

Source: Skills Training UK – Benefits of Apprenticeships, from data by the National Apprenticeship Service
Apprenticeships fall into **four categories**

1. Intermediate level apprenticeships
2. Advanced level apprenticeships
3. Higher apprenticeships
4. Degree apprenticeships
Introduction of Higher and degree apprenticeships

Government’s response to address the critical skills gaps that UK industry faces...

21%  
UK productivity output per hour is 21% lower than the average across the rest of the G7

£19bn  
Time wasted by poor management could be costing the economy as much as £19bn a year

£63bn  
The digital skills gap costs the UK economy £63bn a year
The Open University Apprenticeship Vision

“To be the UK’s leading higher and degree apprenticeship provider supporting employer needs through high quality, technology-enabled and industry-relevant apprenticeships”

OU Apprenticeships
- Aligned to curriculum strengths
- Targeting skills gaps and responding to employer and economic needs
- Supporting Widening Participation
- Supporting OU’s Financial Sustainability
- Strong, reputable B2B brand

Partnerships
- FE Colleges – progression pathways to degree apprenticeships
- Private training providers – both progression and development opportunities
- Validation – creating and developing solutions for employers through established OU validation models
- Licensing – creating and developing licensing opportunities with channel partners
- Vendors – developing indirect channel opportunities e.g. Microsoft and their UK channel partners

Consortium Provision
- OU/KPMG Consortium
- Adaptive Consortiums to respond to bid opportunities
Overview of Apprenticeships Strategy Phase 1 and 2

1. Phase 1 Apprenticeships Strategy
   - Setting up operational team and business development team
   - Developing marketing strategy
   - Developing and delivering 3 apprenticeships

2. Phase 2 Apprenticeships Strategy
   - *Tactical operational infrastructure* to support Phase 2: integrated operational platform including Maytas, ePortfolio tool and an online registration agreement
   - Development and delivery of 5 new apprenticeships
   - An OU/KPMG Consortium which will offer employers a range of high quality apprenticeship services and products from a single source
Other **Product Updates**

1. **Dynamic Purchasing System (DPS)**
   The OU is setting up a DPS of high-quality providers to deliver apprenticeships:
   - **Open and dynamic**, allowing for the addition of other suppliers through the life of the DPS
   - Maintaining **consistent due diligence** and adherence to the expected standards of provision
   - Giving the OU, other members of the Consortium and our employer clients access to **pre-qualified suppliers** across a range of standards and levels
   - Allowing the DPS users to procure apprenticeships efficiently and to maximise their levy funds
   - Enabling the OU to **bid for opportunities** that require a **comprehensive package** of apprenticeship standards and levels
   - Contract notice due to be issued on OJEU in June, launching in July 2017

2. **Progression Pathways**
   Ongoing discussions with a number of private providers, exploring progression opportunities:
   - Progression routes for level 5 apprentices
   - Progression on to the OU’s Digital and Technology Solutions apprenticeship
   - Progression on to the OU’s Healthcare, Nursing and CMDA apprenticeships
   - Progression for level 3 laboratory technicians on to the OU’s programmes in STEM
Other **Product Updates**

3 **Strength-based recruitment**
The OU partnered with 2 business partners to develop a Strengths Based Recruitment Approach for recruiting apprentices:
- Providing recruitment services to Unilever for apprentices on non-OU and OU programmes
- Pilot 1 in February – 12 apprentices, Pilot 2 in April – 44 apprentices
- Exploring opportunities to offer to other employers

4 **Licensing and Validation**
- Exploring opportunities with providers
- Working closely with the OU’s Director, OUVP

5 **End-point assessment**
Exploring opportunities in various disciplines, including partnership opportunities with approved assessors
- In conversations with BCS (CI for IT, end-point assessor in IT) on partnership opportunities
The OU/KPMG **Consortium**

1 **Concept**
- Offers employers a single supply chain providing strategic workforce analysis, shared services and a broad range of apprenticeships products, standards and levels.
- Key commercial aim is to win a larger apprenticeship market share and drive up apprentice numbers, and generate additional income beyond apprenticeships provision.
- The Consortium will bring together high quality Further and Higher Education providers, private providers, professional bodies and specialist suppliers.

2 **Benefits**

**The OU:**
- **First-mover** advantage
- **Accelerated** market penetration
- Maximise **bid win rate**
- Minimise **partnering risk**

**Consortium members:**
- **Access** to a compelling employer offer
- **Consortium activities**, including marketing, business development and sales
- **Association with leading market brands** of the OU and KPMG
- **Consortium efficiencies**, including administrative and management services

**Employers:**
- **Access to a complete range** of broad, high quality apprenticeships provision from a single source, not currently offered by any other apprenticeships provider
- **Full integration of supported distance learning provision** into workplace learning
- **Online platform capability** for the delivery and management of apprenticeships
- **Access** to apprentice recruitment and selection services

*Understanding Apprenticeships May 2017*
The work-based **learning dividend**

Research to help L&D better understand:

- What we can learn from apprenticeships to enable the development of the future workforce

- The role technology can help work-based learning become more flexible and help to develop an adaptable learning culture
Any questions?