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Report

Providing for the Future: Providers' views on Apprenticeship Reform

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Providing for the Future: Providers' views on Apprenticeship Reform

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1 Summary

1.1 Introduction

1.1.1 Apprenticeships reforms

In 2013, the Government set out its vision for apprenticeships until the year 2020 with a growth target of three million apprenticeship starts and employers taking a more central role. The result was a systemic overhaul of provider regulation, funding, content and assessment. The new Register of Approved Training Providers (RoATP) was launched in November 2016. A UK-wide Apprenticeship Levy (0.5% for employers with over £3 million payroll) to fund all apprenticeships and changed amounts of funding will start in May 2017. Employer-led groups are developing new standards to replace Frameworks and independent End-Point Assessment (EPA) is being introduced.

The Association of Employment and Learning Providers (AELP) has been at the forefront of apprenticeships policy discussions since its inception in 2002. As part of AELP's determination to ensure that it is indeed articulating the concerns of the sector correctly, earlier this year it embarked on a joint project with independent researchers from the National Foundation for Educational Research (NFER). The aim of the project was to inform future policy and practice with evidence on how providers of apprenticeships are preparing for the new apprenticeship reforms. More specifically, the objectives included:

- to understand current knowledge of the new reforms amongst apprenticeship providers
- to explore areas of concern to providers, such as the move from Frameworks to standards and the introduction of the Apprenticeship Levy in spring 2017
- to establish providers' state of readiness and preparation for the reforms and what help they would welcome in preparing for them.

This report is based on 15 in-depth interviews with senior leaders in apprenticeship providers from a range of sectors and locations and of diverse types and sizes (see technical appendix for details of the methodology).

It should be noted that this research was carried out before recent announcements about changes to the apprenticeship reforms. The changes include the re-introduction of £60 million of support in areas of disadvantage, a 20 per cent increase on the levels of funding for Frameworks/Standards for 16- to 18-year-olds that were announced in August, and the introduction of a large-scale scheme to increase the capacity to deliver independent EPA in apprenticeships.

The findings provide an important evidence base for AELP to accurately reflect the views of the sector and continue its track record of being able to predict where problems in policy and policy implementation may arise.

1.2 Key messages

This report presents a summary of the views of a sample of providers on the apprenticeship reforms. It does not provide an assessment of the reforms and their potential impacts.

The report discusses the level of preparedness for the apprenticeship reforms amongst providers; attitudes to the move from Frameworks to standards and the introduction of the Levy; implications of the content of the reforms and process for strategic decision-making; and provider perceptions of the impact of these reforms. The evidence highlights the following key messages raised by providers and identifies a series of high-level questions for providers, policy-makers and other stakeholders:

1. Lack of information – *Is there enough time and information for strategic decision-making and implementation before May 2017?*

The fieldwork for this project took place in late summer/early autumn 2016 (before further details were released in late October). At that time, the 15 providers interviewed felt as well-informed as they could be, and said their organisations were as ready as they could be, in view of the limited amount of policy information available. However, there was a feeling that general levels of information had been insufficient to enable providers to explain properly to employers how things would operate from the following May. One provider put it succinctly: *'I am as well-informed as anyone but I don't know what is going on'*.

2. Employer engagement – *How are providers supported in their work to engage employers in new apprenticeships?*

Providers largely accepted the underpinning policy principle that puts employers at the centre of the new apprenticeship system. Providers had adopted the role of educating the employer market about the changes. However, providers felt that the rate of release of information, particularly on essential details such as actual costs, had been slow, and that this was impeding their ability to plan their offers. Their engagement with employers was slower and more time consuming than usual.

3. Standards content and quality – *Who is overseeing quality?*

Some providers expressed concern over both the lack of qualifications in many standards (which they said employers and learners have often valued more highly than apprenticeship achievement itself) and the resulting lack of skills portability and transferability for individual apprentices.

There were contrasting views on the quality of standards. Some providers were of the opinion that the quality of standards was likely to be appropriate for two main reasons. First, the standards were developed by groups of employers (Trailblazers) to meet the specific skills requirements and competence levels of particular jobs in each sector. Second, as employers are the customers and users of the standards, their ongoing feedback is going to be a driver in maintaining quality and relevance.

Other providers thought that the content of standards was too specific to the small number of employers that had helped develop them to be useful to the wider occupational sector. Some of the standards were also felt to be so brief that they could be open to wide-ranging interpretation which could negatively impact on their reputation in the longer term. The ability to negotiate rates for funding (rather than fixing rates centrally) has also given rise to fears amongst providers that employers will negotiate prices down to levels that would not support high-quality provision.

4. End-Point Assessment system – *What system is it anyway?*

Providers regretted the general lack of information and understanding about how the EPA system will work, how much it will cost and how the overall quality of EPAs will be monitored. As a result, they were concerned that the strong emphasis on EPA could encourage ‘training to the test’, so the combination of broad standards, weak quality assurance of EPAs and negotiated pricing could combine to impact adversely on overall quality. This is a key point considering EPAs are the final decision on whether or not an apprenticeship has been successfully completed. Despite not having all the information they needed, providers were attempting to prepare for the EPA regime by briefing staff, developing different ways of staff deployment and introducing new apprentice support models.

5. Volumes of apprenticeships – *Will supply keep up with demand?*

Providers reported that recent media campaigns have succeeded in raising public awareness of apprenticeships – young people and parents are talking about them and schools are beginning to be more open to apprenticeships as a viable option for school leavers. However, providers reported finding some employers unwilling to engage. While they felt this was understandable, given the lack of certainty and hard information, they were worried that it could end up reducing the supply of apprenticeship opportunities at a time of rising demand – especially among younger people.

Providers also anticipated some attrition in the supply side of the market, with a few training providers going out of business and others scaling back provision – though clearly there would be opportunities as well for some new entrants to the market. Most significantly in terms of reduction of apprenticeship provision, providers drew attention to an emerging situation where funding could fail to cover the costs to training providers of supporting 16- to 18-year-olds.

These findings reflect the changing provider role and that their ways of working have to change in order to bring employers with them. However, to do this requires hard information and clarity. Strategic decision-making in a context of policy uncertainty is putting considerable strain on the provider market, without whom quality apprenticeships will not be delivered in the quantity that employers and the economy requires. The providers interviewed are calling for more policy clarity/detail in order to make informed business decisions in good time – not just for themselves but, crucially, for the employers who are expected to be instrumental in driving the new system.

Despite the challenges of preparing for implementation of the reforms, there was a general acknowledgement amongst providers that awareness of apprenticeships has been raised as a consequence of high-profile discussion about the reforms.

In addition, some providers felt that it was beneficial to the sector that employers can select from providers and that additional transparency highlights the quality of apprenticeships.

Further benefits identified were:

- the increased funding for maths, English and STEM subjects
- the opportunity for more employers to engage in apprenticeships and to input into the standards
- the opportunity that the introduction of the Levy funding will offer for providers
- the increased flexibility in how to deliver the first 12 months of the apprenticeship because of the move to EPA
- the increased provision of degree-level apprenticeships.

Providers offered some suggestions for ways forward and help needed to overcome concerns and limitations of the reforms.

- Invest time to consider what training is needed for employers and providers to make this work as ‘everyone needs to get involved to make it [the reform] work’.
- Ring-fence funding to provide apprenticeships for young people. One provider said: ‘16- to 18-year-olds will be blocked out. They should be funded fully until 18 years old. They are receiving no careers guidance and are rushing into things.’
- Enforce qualifications as part of EPAs.
- Pilot the new standards: ‘There should be no talk about switching off Frameworks until 2020 at the earliest’.
- Consider fully funding apprenticeships for SMEs.

1.3 Conclusions

The evidence collected as part of this project indicates that providers are potentially a useful route through which employers will receive information about the apprenticeship reforms and gain an awareness of their implications for them. It is important that employers are furnished with as much detail as possible about the reforms to enable them to fulfil effectively their role as drivers of the new system of apprenticeships.

Whilst some of the concerns raised by providers relating to apprenticeship funding and EPA are being addressed by changes introduced since this research was undertaken, it would be helpful for the Government to engage providers directly to address their issues and explain the latest thinking. This is significant given the fast-moving nature of the apprenticeship reform process.

It is important that ongoing evaluation is carried out to monitor the impacts of the reforms and ensure that the concerns raised by providers are not seen in practice. There is value in using evaluation findings to inform and refine the implementation of the reforms and to

prevent unintended negative consequences undermining positive outcomes for employers, providers and apprentices.

Finally, the independent evidence presented in this report indicates that, although progress has been made in preparing for the implementation of the reforms, there are considerable challenges ahead to ensure that the emerging apprenticeships are of the highest quality and offer real value to apprentices, employers and the UK economy.

2 Overall preparedness for apprenticeship reforms

2.1 Steps taken to prepare for the apprenticeship reforms

The interviews took place in late summer/early autumn of 2016. The 15 training providers (all of which deliver apprenticeships) we interviewed said that they were taking steps to prepare for implementing the apprenticeship reforms (see the Technical Appendix for details of the 15 providers). However, they explained that their preparation would be further advanced if there was more clarity on key components of the reforms: the content of standards, the funding bands, and the details of EPA. While the publication of subsequent government guidance documents ([funding](#)¹ and [RoATP](#)²) in late October and early November 2016 clarified numerous points, the majority of issues highlighted in this report remain unresolved from providers' perspectives. Provider feedback on standards, funding and EPA is provided in subsequent sections of this report.

Providers said that they had attended external briefing workshops, seminars and webinars to find out as much as possible about the apprenticeship reforms. They found these events useful but only up to a point, as the events could not provide all the information the providers needed on standards, funding and EPA.

Interviewees told us that they were in the process of briefing their staff about the apprenticeship reforms and were working with them to identify the implications for how they operated as a training provider. For example, one provider said that she was developing her staff to think more about their role in building partnerships with employers who, as customers in the reformed system, would have purchasing power. She added that this was going to create a new type of training provider whereby providers would have to be more proactive in ascertaining employers' training needs. Several providers emphasised that talking to employers was critical at this stage, reflecting the perception that power is moving from the organisation holding the prime contract with the government to the employer. One provider explained:

So the power/asset switches from who has the contract with the government (maybe there will be 2,000 to 3,000 rather than 1,000) to who has the relationship with the clients/employers. So the emphasis suddenly becomes who controls that employer relationship.

As well as talking to individual employers, providers had hosted or were planning to host employer-engagement events in order to explain what the apprenticeship reforms would mean for employers. They thought this was necessary because the changes in apprenticeships were 'confusing to employers'. Several providers also highlighted the importance of talking to employers at this stage to inform them about the reforms. One explained how he was currently in conversation with 40 employers: 'It is amazing how many don't see this coming down the line. Thirty eight did not know it [reform] is coming'.

¹ <https://www.gov.uk/government/publications/apprenticeship-funding-from-may-2017>

² <https://www.gov.uk/government/collections/register-of-apprenticeship-training-providers>

Other action taken by providers included creating a web page for employers with links to the reforms, providing a written guide on the Levy and planning a newsletter for employers covering the reforms.

At this stage staff recruitment was not a step most of the providers were taking to prepare for the reforms. The exception was a senior manager who was ‘embracing change’ by recruiting skills coaches to provide more support for apprentices, particularly to help prepare them for the EPA.

Overall, providers highlighted that uncertainty about the details of the reforms was a barrier to planning the offer for employers because, as one succinctly observed: ‘There is not enough information to explain to employers’.

2.2 How well-informed were the training providers to enable them to implement the apprenticeship reforms?

Overall, the 15 training providers interviewed for this study indicated that they were well-informed about the apprenticeship reforms insofar as they understood the principles underlying the changes and broadly what the reforms entailed.

However, they wanted more detail on standards, funding and EPA which would enable them to implement the reforms. One provider illustrated this point when she commented that:

I am fairly well-informed about what might happen and understand the principles but I don't feel well-informed enough to plan. I feel ill-equipped to make plans because of uncertainty over the reforms.

Another interviewee captured the situation providers found themselves in when he observed: ‘I am as well-informed as anyone but I don't know what is going on’.

2.3 Training providers' preparedness to implement the apprenticeship reforms

There were varying degrees of preparedness among training providers for implementing the reforms. Providers who had been among the Trailblazers and who had developed the standards appeared to be more informed and ready to implement the changes. There was a feeling of greater unpreparedness where standards for some apprenticeships or apprenticeship levels were not going to be available in time for implementation in May 2017.

A clear message from this study is that uncertainty about the detail of the reforms was posing a barrier to providers' readiness to implement them. This was inhibiting the extent to which providers could engage effectively with employers, as one provider said:

The reforms have been introduced in a rush without sufficient understanding and planning, which has put a strain on the provider base.

Additionally, provider feedback revealed that the uncertainty was making some providers consider whether to provide apprenticeship training in the future. The following section discusses the move from Frameworks to standards in more detail.

3 Frameworks to standards

3.1 Training providers' views of standards

Several of the training providers pointed out that they found it difficult to take a view on the relevance, value and quality of standards because not enough standards had been published. They were disappointed that more standards were not available and highlighted the lack of time for them to engage with forthcoming standards and to develop training provision and materials in time for their implementation in April 2017. They saw this delay as business-critical.

Some providers expressed concerns over the lack of qualifications in many standards which they claimed employers often value more highly than completing and achieving an apprenticeship. Providers were also concerned about the potential lack of transferability of apprenticeships as a portable credential which apprentices could use in the labour market. One provider felt that 'any removal of qualifications is dangerous' on the grounds that the more variance there is in skills development, the more it will impact on quality. Conversely, one provider believed that the change to standards was a 'good move as employers want skills rather than qualifications and some qualifications like business administration hold limited value'.

There were contrasting views on the quality of standards. Some providers were of the opinion that the quality of standards was likely to be appropriate for two main reasons. First, the standards were developed by groups of employers (Trailblazers) to meet the specific skills requirements and competence levels of particular jobs in each sector. Second, as employers are the customers and users of the standards, their ongoing feedback is going to be a driver in maintaining quality and relevance.

Other providers were less convinced. For example, one drew attention to the potential lack of universal applicability of the standards. She commented that: 'The usual suspects, the big boys, continue to set the agenda. I worry about fitness for purpose for smaller employers'. This point was echoed by another provider who explained that her SME clients would not want their apprentices to spend time learning all of the skills specified in the standards. With this in mind, she emphasised that conversations with SMEs about the apprenticeship reforms have to be about 'gentle steps so as not to frighten them off'.

A different issue was raised by a training provider who observed that the content of standards was less specific and prescriptive than the details in awarding bodies' qualification specifications, which she thought were more solid and quality-assured. She commented that: 'The standards are fluid, there is no substance behind them ... standards can be interpreted in different ways'. Her concern was that the varying expectations of employers (the customers) might lead to a lack of consistency in the delivery of the standards.

3.2 Training providers' views of End-Point Assessment

The research revealed a general lack of information and therefore understanding of how the EPA process will work and what it will involve for apprentices, employers and training providers. The 15 providers we interviewed expressed disappointment that EPAs were not ready for them to look through, as one remarked:

We're happy with the Standard but the assessment is not available yet and the funding has not been confirmed which is disappointing, not having all the component parts. This means we can't talk to employers in a meaningful way.

Providers highlighted their role in briefing and preparing employers for implementing the apprenticeship reforms and how this was being impeded by not having had sight of what the EPAs entailed, not knowing how long the assessments will take and not knowing how much the EPAs will cost. Providers also wanted to know which organisations were going to undertake the EPAs. Indeed, some wondered whether this was a role they could fulfil, by assessing apprentices trained by other providers and employers. One provider expressed surprise that awarding bodies, training providers, colleges and sector skills councils had not been involved in the development of the standards and EPAs: 'I don't understand why it has just been employers designing these standards without consulting such organisations'.

Another provider voiced concern that he did not know what apprentices would be assessed on and therefore what teaching was required as apprentices progressed through their training programme. He added that he might have to bring some apprentices back to the training centre to refresh their learning and provide appropriate support for passing the EPA. The senior manager at another training provider was worried that the strong emphasis on EPA might encourage 'training to the test' which would lead to narrower training than current provision and ultimately reduce the quality of apprenticeships. A third provider pointed out that other negative impacts of 'training to the test' could include reduced take-up of apprenticeships and reduced quality of teaching and learning.

The issue of whether apprentices will pass the EPA was elaborated further by other interviewees who thought it would be daunting for some young people. For example, a provider said she was 'twitchy' about the possibility of some apprentices passing the required synoptic and 'gateway' assessments done by providers before failing the final EPA which is conducted by independent assessors and employers. She noted that there are some young people who are adept at learning and applying skills on the job but who are much less effective at demonstrating their knowledge and competence in examination conditions. This point was echoed by another provider who pointed out that the EPA could adversely affect the performance of such apprentices 'who might not be good at end-testing and could go to pieces'.

Despite not having all the information they needed, providers were attempting to prepare for the EPA regime. For example, one provider had arranged an internal meeting with her staff to discuss how EPAs would work. Another provider reported that he was introducing a new interactive support model in order to prepare apprentices for the EPA. Integral to this was a team of skills coaches his organisation had recruited to work with apprentices and get them ready for completing the EPA. Another provider described how his organisation is preparing to work in different ways with employers in the changed assessment regime.

One example included replacing the monthly assessment visits with classroom sessions on topics such as on how to prepare PowerPoint presentations, because ‘in the new world employers are in the driving seat’. Another observed that, in his view, the new system will involve employers to a greater extent as they will have ‘to say whether the learner is ready for the end-point assessment’.

The next section considers the introduction of the Levy.

4 The Levy

A central part of the apprenticeship reforms is the introduction of the Levy in April 2017. All UK employers with an annual wage bill above £3 million will pay a Levy of 0.5% of their payroll. This section discusses providers' current views on the Levy.

4.1 Perceptions of the Levy

Providers noted that many employers had not engaged in the details of the Levy and what it will mean for them. Some observed that employers considered it to be a 'tax', while other employers felt that the Levy system of funding for apprenticeships was complicated ('a hassle') and hoped that providers would 'deal with the bureaucracy' for them.

On the other hand, several providers viewed the Levy as an opportunity because it could result in some of their larger clients having an increased budget due to their Levy payments. Additionally, they thought that some larger companies who have previously not employed apprentices at all might now engage in apprenticeships. There was a general understanding that the introduction of the Levy will have different implications depending on the size of the organisation but, as yet, there was no clear consensus on the exact nature of the impact. For example, one provider speculated (before further support for provision to SMEs was introduced in October 2016):

The larger organisations will want to get their money's worth and the SMEs probably won't get involved because they won't pay any more.

4.2 Impact of the Levy on apprenticeship quality

While observing that the introduction of the Levy will change the funding structure and increase the influence of employers to purchase an apprenticeship at a cost they are prepared to pay, some providers believed that this might ultimately increase the quality of apprenticeships. The reason for this was that it could increase the inherent competition in this new market place, and encourage larger employers to get involved. For example, one provider had heard that some larger employers intended to replace their graduate schemes with higher apprenticeships and felt that the quality would be influenced by their experience of graduate employment schemes.

However, other providers were largely unsure or undecided about the impact of the Levy on the quality of apprenticeships. For example, one explained: 'It depends on how committed an employer is to ensuring that their training is proper apprenticeship training'. Others felt the introduction of the Levy might reduce the quality of apprenticeships because employers would use funding bands to negotiate the price of apprenticeship down too far and consequently the quality of training and outcomes would suffer. For example, as one provider in the engineering sector explained:

There will always be a provider out there who will offer to do something cheaply. Some try and deliver Engineering Level 2 virtually in the classroom and employers are telling us they want hands-on experience in a workshop using machinery and lathes etc... we are concerned that a lot of providers will offer classroom theory as it will be cheaper and the machinery just won't be there anymore.

4.3 Concerns about the Levy

Providers believed that the change to a Levy-funded system, and other changes to the funding structure such as the funding bands, would have significant implications for the provision of apprenticeships. Some providers expressed unease at the possibility that employers will expect apprenticeships to be provided at the bottom end of the funding bands when costs may require funding to be higher. Additionally, some providers noted that a number of these implications may have been unintended by the government.

Although cognisant that not all the details of the Levy were available at the time of interviews, providers nevertheless were concerned that large employers could convert all their current internal training of existing staff to apprenticeships rather than recruit new apprentices. One provider felt that there will be 'a lot of re-badging of existing training to apprenticeships'. Two providers observed that this may lead to the enrolment of existing staff onto apprenticeships at the expense of the employment of younger apprentices, as one provider explained:

All internal training will be called Apprenticeship training. So we will have a false figure on what is a true apprentice and what is not. Apprenticeship figures will look very good but who will benefit? It won't benefit young people just out of school and who need employment. This is a loophole they didn't think about.

Other concerns included:

1. some funding bands are set too low and below costs incurred, which is likely to lead to providers discontinuing some apprenticeships
2. funding for 16- to 18-year-olds is not sufficient and this might impact on future numbers of young people taking apprenticeships³
3. smaller providers' share of the market might decrease as the new system will favour larger employers and providers
4. one provider reported that some employers are saying, to avoid the bureaucracy and the lack of time to deal with the reforms: 'we won't have any apprentices'.

The next section considers providers' views on the impact of the apprenticeship reforms.

³ It should be noted that since the research was undertaken the government has announced a change, paying an additional 20 per cent on the funding band limit for 16 to 18-year-olds taking up an apprenticeship.

5 Anticipated impact of the reforms

Most of the 15 providers we interviewed were unable to anticipate the impact of the apprenticeship reforms, partly because they felt there is currently not enough information to inform a view or because they believed the reforms could lead to different, unknown dynamics in the market place.

5.1 Potential benefits

There was a general acknowledgement that awareness of apprenticeships has been raised as a consequence of high-profile discussion about the reforms. In addition, some providers felt that it was beneficial to the sector that employers can select from providers and that additional transparency highlights the quality of apprenticeships. Further benefits identified were :

- the increased funding for maths, English and STEM subjects
- the opportunity for employers to engage in apprenticeships and input into the standards
- the opportunity that the introduction of the Levy funding will offer for providers (see section 4.1)
- the increased flexibility in how to deliver the first 12 months of the apprenticeship because of the move to EPA
- the increased provision of degree-level apprenticeships.

However, there was an overall view that there are currently more limitations than benefits connected with the reforms.

5.2 Limitations and ways to overcome them

5.2.1 Limitations

Some of the limitations of the reforms identified by providers were linked more to the way in which the reforms have been introduced rather than the reforms themselves. For example, the perceived piecemeal nature of the communication of the reforms was reported to have put a strain on providers because employers were asking them for more information. One provider explained: 'Employers haven't got a clue that they will be in control of the funding for their own training'. This concern is compounded by the fact that providers felt they did not know enough to fully inform employers. They reported feeling more pressure to explain and 'take the bureaucracy burden' off employers.

Some providers observed that not enough time and knowledge has been invested in these reforms and that this could damage the quality of the resultant apprenticeships. A common concern was the speed with which these changes were being implemented, as one provider

said: 'Ill-prepared-and-planned change has negative impact and, in my view, that is what this is – it [understanding this] is embarrassingly basic'.

Furthermore, providers expressed concern that the lack of engagement with the reforms on the part of all employers may lead to fewer apprenticeships being offered in the short term.

As mentioned in previous sections, providers thought that some negative consequences were unintended but they nevertheless represented limitations of the reforms. Their concerns about the potential negative consequences are summarised as:

- employers using apprenticeship funding to subsidise existing in-house training provision
- fewer 16- to 18-year-olds taking part in apprenticeships due to the new funding mechanism not allowing for the extra support needed for this younger age group
- the quality of apprenticeships deteriorating due firstly to employers negotiating prices down ('race to the bottom'); secondly, to EPA leading to 'training for the end-point' test; and, thirdly, to the lack of a formal qualification requirement inherent in the apprenticeship
- the impact of the lack of qualifications potentially leading to lack of portability and transferability of apprenticeships
- the removal of the deprivation uplift (subsequently re-introduced in simplified form and usually in a reduced amount)
- the perception that many learners will not engage (or will drop out) as they will not respond well to EPA
- the possibility that in raising the importance of the EPA there may be unforeseen consequences such as the possible impact on enrolment and completion rates as some learners and employers may wish to avoid this form of assessment.

A further concern of the reforms raised by a number of providers is the possibility that some providers could cease to exist. They reported that the dynamics in the market place are changing and that the impact of the register and the introduction of the Digital Apprenticeship System is currently unknown. There was some speculation that new operational models may emerge, for example more partnerships between providers or with employers, or the emergence of more umbrella groups such as Group Training Associations. Additionally, a few providers said they would wait and see which areas would yield the best returns for them before deciding on the way forward.

5.2.2 Ways to overcome limitations

Interviewees felt that the government should listen to the concerns and suggestions not only from the few large employers who informed these reforms but also from providers, colleges and SMEs. For example, one provider suggested:

Stop and think and look at what has worked. The reform has been rushed and pushed through too quickly. There has been no thought for the future or what any unintended consequences might be... put the brake on and get wider feedback from providers, colleges and experts saying 'have you thought about this and that?'

Providers offered some suggestions for ways forward and help needed to overcome concerns and limitations of the reforms.

- Invest time to consider what training is needed for employers and providers to make this work as 'everyone needs to get involved to make it [the reform] work'.
- Ring-fence funding to provide apprenticeships for young people. One provider said: '16 to 18-year-olds will be blocked out. They should be funded fully until 18 years old. They are receiving no careers guidance and are rushing into things.'
- Enforce qualifications as part of EPAs.
- Pilot the new standards: 'there should be no talk about switching off Frameworks until 2020 at the earliest'.
- Consider fully funding apprenticeships for SMEs.

5.2.3 Conclusions

The evidence collected as part of this project indicates that providers are potentially a useful route through which employers will receive information about the apprenticeship reforms and gain an awareness of their implications for them. It is important that employers are furnished with as much detail as possible about the reforms to enable them to fulfil effectively their role as drivers of the new system of apprenticeships.

Whilst some of the concerns raised by providers relating to apprenticeship funding and EPA are being addressed by changes introduced since this research was undertaken, it would be helpful for the Government to engage with providers directly to address their issues and explain the latest thinking. This is significant given the fast-moving nature of the apprenticeship reform process.

It is important that ongoing evaluation is carried out to monitor the impacts of the reforms and to ensure that the concerns raised by providers are not seen in practice. There is value in using evaluation findings to inform and refine the implementation of the reforms and to prevent unintended negative consequences undermining positive outcomes for employers, providers and apprentices.

Finally, the independent evidence presented in this report indicates that although progress has been made in preparing for the implementation of the reforms, there are considerable challenges ahead to ensure that the emerging apprenticeships are of the highest quality and offer real value to apprentices, employers and the UK economy.

Technical Appendix: The methodology

NFER screened a long list of providers in England supplied by AELP to ensure a range of different types of providers were included in the sample (see below). NFER researchers carried out 15 semi-structured telephone interviews with AELP members between August and October 2016. Interviewees were told that NFER and AELP were working in partnership on the project to provide independent insight on preparations for the new reforms. Interviews lasted approximately one hour and, with interviewees' permission, were recorded and analysed subsequently.

Details of the sample profile:

- **Provider type:** 12 were independent training providers (ITPs), one was a further education (FE) college and two were other types of organisations providing apprenticeships.
- **Geographical spread:** five providers were nationwide organisations; two were based in the north-west of England; two in London; two in the south-east; one in the west midlands; one in the north-east; one in the south-west; and one in the east of England.
- **Number of apprentices providers have enrolled:** eight have up to 500 apprentices; five from 501–2000; and two 2000+. The focus was on apprenticeship delivery to young people aged 16- to 25-years-old but all-age apprenticeships were included in the research.
- **Sectors included:** health and social care; dental nursing; hospitality and catering; retail; leisure; business administration; finance; customer services; logistics; telecommunications; engineering including electrical, mechanical, fabrication/welding, control and instrumentation; manufacturing; automotive; construction and trades; food manufacturing; IT; logistics; telecommunications; horse care; social media and marketing; accountancy; childcare; hairdressing; fitness and leisure; team leading and management.

NFER researchers analysed the findings and AELP and NFER wrote the report.

NFER provides evidence for excellence through its independence and insights, the breadth of its work, its connections, and a focus on outcomes.

- independent
- insights
- breadth
- connections
- outcomes

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