

EC
ITB*

**IGNITING
THE SPARK?**
Apprenticeships
in the Engineering
Construction Industry



The ECITB would like to thank all the employers that participated in our survey and gave additional input via telephone interviews. We would also like to thank the Nuclear Skills Strategy Group for their research on apprenticeships in the nuclear sector.

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COVID-19 IMPACT

The fieldwork for this report was conducted before the Covid-19 crisis hit the UK. It is not yet possible to fully understand the impact the crisis will have on the recruitment and retention of apprentices in the ECI.

Since the closure of educational institutions, a significant amount of apprenticeship training has been put on pause as training providers closed their doors. Where training could be delivered online, this has happened (several providers have adapted delivery to online although this is not possible with craft trades where practical training is required). Many employers have furloughed apprentices, while others have paused their recruitment of new apprentices.

The ECITB has regularly collected information from its in-scope employers to understand how the crisis is impacting the industry. The following provides a snapshot of the situation of 61 employers who responded to our Covid-19 impact survey. The information presented was accurate as of 22nd May 2020.

69% of surveyed employers had furloughed 5,220 employees to date. This represents an average of 124 furloughed employees per employer site or establishment. 4,600 furloughed employees are represented by only 5 establishments. If these 5 establishments are excluded, the average number of furloughed employees is around 20 per establishment. Surveyed employers have reportedly made 107 members of staff redundant. Approximately 36% of surveyed employers have furloughed apprentices. These employers report a total of 104 furloughed apprentices.

Of the 5,220 employees furloughed, 72% work in oil and gas, 10% in power generation and 9% in the nuclear sector.

Postponing and cancellations:

- 38% of employers had to postpone bringing in apprentices or graduates due to the COVID-19 crisis.

Regarding the medium-term impact on their business, 5 types of reactions were observed among the 43 employers that answered this question:

- 19% do not know what the impact on their business will be.
- 37% anticipate a reduced turnover and/or reduced workforce.
- 35% expect delays in their work.
- 14% say that the oil price will have the greatest impact on their business.
- 9% do not see any impact for now.

It is likely that apprenticeship recruitment will remain low in the longer term until the economy recovers in full. Government intervention is likely to be necessary to support the continuation of current apprenticeships, as well as to help increase the number of apprenticeships. The announcement by the Prime Minister on the 3rd June 2020 of a potential apprenticeship guarantee is welcomed and could help boost apprenticeship numbers and support industry and productivity.

APPRENTICESHIPS IN ENGINEERING CONSTRUCTION*

Percentage of companies that employ 1-10 apprentices



England
86%

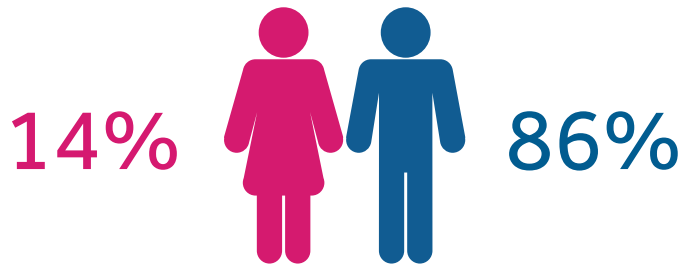


Scotland
60%

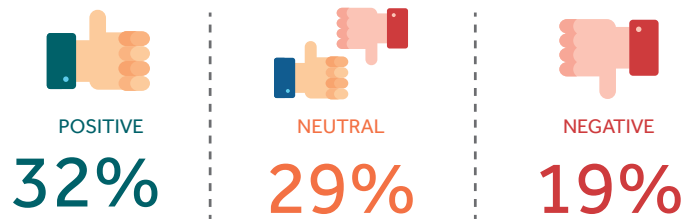


Wales
86%

Apprentice gender split



Views on the Apprenticeship Levy

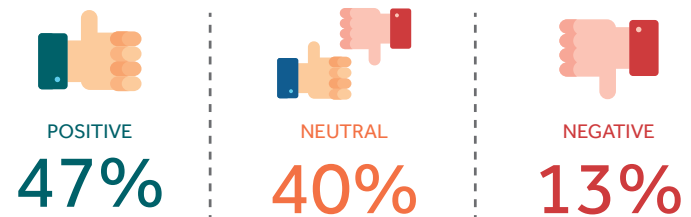


Number of 'external' and 'internal' apprentices**

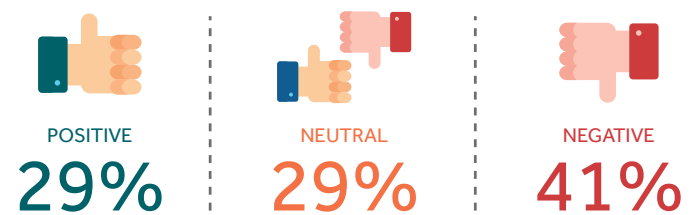
EXTERNAL vs INTERNAL
60% vs 40%

Views on the Apprenticeship Levy by company size

SME***



Large



Reason for not currently employing apprentices

81% no current need or lack of suitable work

18% prefer to hire graduates or experienced staff

Impact of the Apprenticeship Levy on recruitment and training (England)



Increased number of apprentices

46%

of all surveyed employers in England are recovering a maximum of 30% of apprenticeship levy

* Figures based on response sample of 18% of ECITB in-scope employers.

** Internal = existing employees, external = new employees on apprenticeship.

*** Employs less than 250 people.

EXECUTIVE SUMMARY

This report aims to understand perceptions and trends in apprenticeship training in the Engineering Construction Industry (ECI) following the reforms that led up to the introduction of the Apprenticeship Levy in 2017.

The Engineering Construction Industry Training Board (ECITB) is the statutory skills body for the Engineering Construction Industry (ECI) in Great Britain. A non-departmental public body sponsored by the Department for Education (DfE) and accountable to Parliament, the ECITB works with employers, governments and many others to attract, develop and qualify personnel across a wide range of craft, technical and managerial disciplines in the industry.

Employers which are mainly engaged in engineering construction work fall within the scope of the ECITB. If such “in-scope” employers are over a certain size, they are required by law to pay an industrial training levy to the ECITB. However, all in-scope employers, regardless of size, are eligible to receive grants for training undertaken by their workers. The industrial training levy is unrelated to the Apprenticeship Levy.

Fifty eight ECITB in-scope employers were surveyed and 8 follow-up interviews conducted, representing 18% of all ECITB in-scope companies.

Of the 75% of respondents that employ apprentices, 85% employed between 1 and 10. Of these, 60% were new recruits. The remaining 40% were already employed by the company prior to starting their apprenticeship, with the largest proportion of so-called ‘internal’ apprentices in England (43% compared to 23% and 6% in Scotland and Wales respectively). This could indicate a drive by England based employers to recover as much of their Apprenticeship Levy as possible.

The apprenticeship reforms do not feature prominently in reasons for not employing apprentices, rather no current need or lack of suitable work were given as the two most popular answers to this question (36% and 45% respectively). Industry remains positive, however, with 65% planning on recruiting apprentices in the next 12 months (including upskilling or reskilling existing employees through apprenticeships). Note the fieldwork for this report was conducted prior to the Covid-19 outbreak, which is likely to have impacted on recruitment intention.

The majority of employers surveyed do not have strong feelings towards the Apprenticeship Levy. Of those that express stronger views, there are more positive than negative feelings towards it in overall terms. This appears to be driven by responses from England, where 45.6% have a positive perception of the Apprenticeship Levy. Employers from Scotland are equally split, with 28% having positive perceptions and a further 28% having negative perceptions. The remaining 43% were neither positive nor negative with regards to the apprenticeship levy. Company size resulted in more interesting results, with just over 45% of all SMEs surveyed demonstrating positive perceptions of the Apprenticeship Levy. By contrast, large companies were generally more negative, with 43% expressing negative views of the Apprenticeship Levy.

Employers in Scotland and Wales are satisfied with the provision, quality and support that they receive from their respective governments for apprentice training. Both in Scotland and in Wales, employers would like to see more higher-level apprenticeships, and in Wales in particular, distance to the training provider was cited as a significant barrier.

Across all the employers surveyed, just under half (47%) did not feel that there would be any foreseeable effect on apprentice recruitment as a result of the UK leaving the European Union. A further 35% were not sure what kind of effects this might have and 17% of the total responses anticipated some negative impact, either through limiting recruitment, limiting the training budget, or making recruitment of apprentices more difficult. None of the surveyed employers thought that Brexit would have a positive effect on the recruitment of apprentices.

Alongside the descriptive statistics, defined clustering was performed on the responses. This allowed responses to be categorised into groups of responses with shared characteristics. The main traits of the 5 identified groups are as follows:

- **Group 1: The prisoners**
Comprised of big Apprenticeship Levy payers that have negative perceptions of the Apprenticeship Levy and face a high level of uncertainty about their future involvement in apprenticeships.
- **Group 2: The risk averse**
While planning to hire some apprentices, employers in this group would welcome new apprenticeship standards or frameworks.

- **Group 3: The conformists**
Mainly located in Scotland and in the North of England, these mostly medium and large companies employ a lot of young apprentices.
- **Group 4: The disengaged**
Composed of a diverse range of companies, this group do not seem aware of the apprenticeship system, nor do they feel concerned by it.
- **Group 5: The investors**
Considering the small size of these companies, they employ a lot of apprentices and are satisfied with the apprenticeship system.

Summary of Recommendations

- **Better promotion of apprenticeships**
Promotion of apprenticeships is the responsibility of a number of stakeholders including companies, the Government and mainstream media. Apprenticeships should be included as a destination at both 16 and 18 in school leaving measures and performance tables to bring them on par with further academic study and in mainstream media commentary as a destination at relevant school leaving ages.
- **Clear definition of an apprenticeship**
The Government should clearly define what an apprenticeship is. The current IfATE definition is not sufficiently detailed and lacks clear means for differentiating between new apprentices, and apprenticeships used to upskill and reskill.
- **Decentralisation**
Apprenticeships should be led through collaborative, regional partnerships which align to local industrial strategies and skills shortages. Partnerships should be comprised of various stakeholders, including, but not exclusively, employers.
- **Diversity**
Industry needs to work to improve the diversity of its apprenticeship intake by making an effort to reach out to a wider community rather than relying on the applications that come through.
- **On reforms in England**
From the current set of reforms that have come into effect in England, the ECITB recommends that the Government consider greater flexibility around the 20% of training which takes place off-the-job; provide more support to providers to run courses with low cohort numbers; and offer a travel assistance scheme for apprentices to facilitate travel to and from both the employer and the training provider.
- **Further support**
The ECITB would like to see more alignment between the upcoming T Levels and level 3 apprenticeships. Given that the majority of ECI apprenticeships are at level 3, and the extensive amount of training and work-based experience that is needed to achieve competency in the industry, we suggest that the Government makes it easier for T-level students to transfer into relevant level 3 apprenticeships, which could be shorter in duration to take into account prior learning.

1. INTRODUCTION

Apprenticeship Reforms

The introduction of the Apprenticeship Levy in 2017, along with a series of reforms introduced from 2013 following the recommendations of the Richard Review (2012), marked the biggest shakeup in apprenticeship policy in several years.

These reforms have had greatest impact in England, where the full suite of reforms have been brought into effect; the impact on Scotland and Wales has been less dramatic, with the only element of the reforms coming into practice being the Apprenticeship Levy via the Barnett Formula.

In England, the following set of reforms have come into effect. This is not an exhaustive list, but rather highlights the reforms that have most directly affected the employers that responded to this survey.

- Formation of the Institute for Apprenticeships and Technical Education
- Shift from apprenticeship frameworks to standards
- Introduction of end point assessment
- Minimum duration of 12 months
- Minimum 20% off-the-job training
- Employer led 'trailblazers' to develop apprenticeship standards
- Introduction of funding bands
- Changes to funding rules, including no upper age limit and flexibility in course funding as long as content is significantly different
- Introduction of the Apprenticeship Levy

The reforms aim to increase the number of apprentices and work towards parity of esteem with academic training, through increased employer involvement and control in design of apprenticeships, greater flexibility of delivery, simplification of the funding system.

This report provides an insight into employer perceptions of apprenticeships across the engineering construction industry (ECI) in England, Scotland and Wales following these reforms. Whilst industry has had some time to adapt, it is clear that more time is required before the full effect of these reforms can be measured.

This survey was conducted a few months after the Nuclear Skills Strategy Group (NSSG) conducted their own apprenticeship survey¹, and therefore employers working predominantly in the nuclear sector have been omitted from this survey.

The findings of this survey generally follow the trends of the NSSG survey. Both demonstrate employer preference for younger apprentices, with the 19 to 24-year-old category the most popular. Findings from the NSSG survey demonstrate that the number of internal apprentices (those already employed by the company prior to starting their apprenticeship) is generally in line with those from this survey (28% and 40% respectively), and suggest that this trend has increased since the introduction of the Apprenticeship Levy. Both reports demonstrate a preference for level 2 and 3 apprenticeships and a need to improve gender diversity (75% male excluding Royal Navy apprentices in nuclear, 88% male in general ECI excluding nuclear). Further references to this report have been made in order to take into account the nuclear sector.

¹ NSSG, 2019, *Nuclear Apprenticeship Survey 2019*

The Engineering Construction Industry



Water Treatment



Oil & Gas
(Upstream/Downstream)



Power Generation



Pharmaceuticals



Food & Drink



Chemicals



Renewables



Nuclear

The ECI covers a number of sectors with companies often working across more than one of the following:

- Nuclear
- Oil and Gas (upstream and downstream)
- Power Generation
- Renewables
- Chemicals
- Pharmaceuticals
- Food and Drink
- Water Treatment
- Others (Steel processing, Fabrication)

Engineering construction employs approximately 190,000 people in its core sectors². This equates to 0.6% of total UK employment³ and contributes around £100bn in Gross Value Added (GVA)⁴. Despite its importance to the UK economy, key roles in the Government's Clean Growth Strategy and plans to cut carbon emissions to net zero by 2050, the ECI is suffering from a skills shortage and an ageing workforce, which could be compounded by the potential impacts of Brexit.

Previous research indicates that there is a high demand for new recruits across engineering in a broader sense, and at various levels across a variety of occupations. By the year 2024, this translates as an annual demand of up to 124,000 engineers and technicians⁵. Further pressure comes from the rate of retirement, which is expected to see one-fifth of the entire engineering workforce and almost 18% of technicians retire, or be close to retiring, by 2026⁶. At the same time, employment is expected to expand by about 33,000 jobs between 2018 and 2026⁷.

New recruits into the industry are therefore vital, and apprenticeships have traditionally been a strong entry route. The introduction of the Apprenticeship Levy in 2017 overhauled the system of funding for apprenticeships. As the usage of the Apprenticeship Levy differs between nations the effects of the changes have been felt most strongly in England. Here much has been made of the drop in apprentice numbers across all industries, with overall apprenticeship starts dropping from 564,800 in the 12 months prior to the introduction of the levy to 364,000 in the 12 months after. Whilst the number of starts has begun to recover, there has still not been a recovery to match starts prior to April 2017⁸. Another worrying trend is the change in apprentice demographics, seemingly to the detriment of younger recruits. The number of young people starting an apprenticeship has dropped by 5 percentage points since 2017, whilst the number of apprentices aged 25 or older has risen by 66%⁹ across all apprenticeships. The number of level 2 apprenticeships has dropped by approximately 15 percentage points. Conversely, apprenticeships at levels 4 to 7 has grown by 9 percentage points and, level 3 apprenticeships have increased by 13.4%¹⁰. This may be indicative of a shift in the perception of what an apprenticeship is. Whilst traditionally seen as a post-school entry point to the labour market, it is possible that the term 'apprenticeship' now equally applies to the idea of lifelong progression. Higher level apprenticeships cost more to deliver and further study will need to be undertaken to determine whether the increasing participation in higher level apprenticeships negatively impacts the volume at levels 2, and if this is as a result of the apprenticeship system being used as a tool for career progression, or if a number of apprenticeships at level 2 are no longer required.

² ECITB/CBER, 2017, *The Economic Footprint of Engineering Construction*

³ ECITB/CBER, 2017, *The Economic Footprint of Engineering Construction*

⁴ ECITB/CBER, 2017, *The Economic Footprint of Engineering Construction*

⁵ Engineering UK, 2018, *The State of Engineering*

⁶ ECITB, 2018, *Engineering Today – The supply and demand for engineers in the UK*

⁷ ECITB, 2017, *The Economic Footprint of Engineering Construction*

⁸ Department for Education, *Statistics: Further Education and Skills*

⁹ Department for Education, *Statistics: Further Education and Skills*

¹⁰ Department for Education, *Statistics: Further Education and Skills*

Apprenticeships in core occupations in the ECI tend to be at level 3, with few available at levels 4 and 5. Although figures for apprenticeship uptake are available, it is difficult to assess how many apprentices on standards relevant to a number of sectors in engineering construction, are doing their apprenticeship in the ECI (other than those directly supported by the ECITB through apprenticeship grants). Having a measure which either includes the sponsoring employer or the industry in which the apprentice is employed, would be useful to enable deeper analysis. As this information is unavailable, a long-term investigation would be required. Although not within the scope of this report, such research would be valuable in ascertaining general trends in the ECI and, if the shift of focus to higher levels is prevalent in this industry also, at what cost.

The drop in overall apprentice starts, along with the introduction of the aforementioned reforms, particularly the Apprenticeship Levy, prompted the ECITB to conduct this survey. Whilst these reforms and the drop in starts refer mostly to England, it was decided that employers in Scotland and Wales would also be surveyed. Given that the Apprenticeship Levy is charged to employers over a certain size UK wide, the ECITB felt it was important to allow all employers to express their views not only regarding the Apprenticeship Levy, but regarding apprenticeships in general. Not only does this allow for better regional comparison, but gives a more complete perspective, particularly from employers who work across nations.

Methodology

Employers from the ECITB register of in-scope establishments were invited to respond to an online survey in December 2019. The employers were informed of the survey through the monthly ECITB newsletter prior to and in the month of its release, through regional employer forums, and were also contacted directly by their ECITB account managers and the ECITB research function. A total of 56 of ECITB in-scope employers responded to the survey, of which 8 employers agreed to provide more detailed information in follow-up calls. This represents just under 20% of all ECITB in-scope companies (30% of all in-scope companies in Wales, 20% of all in-scope companies in Scotland, and 16% of all in-scope companies in England). Whilst the percentage of in-scope employers in England is the lowest, the number of response from employers in England was the highest, and this is reflected in the analysis. Given that the apprenticeship reforms are applied differently in each nation, the level of response is not surprising. Apprenticeship Levy payers in Scotland and Wales have seen very little change in terms of apprenticeship provision, and the mechanism of using the Apprenticeship Levy to pay for training is specific to England only.

The analysis in this report presents a combination of descriptive statistics (Findings Part 1) and k-prototype clustering¹¹ (Findings Part 2). The descriptive statistics show the data totals and basic data trends. K-prototype clustering aims to group responses based on a set of shared characteristics. This method allows for more sophisticated data analysis and allows trends to be mapped across a number of characteristics, rather than single survey questions. In the case of this survey, the majority of the characteristics were drawn from the questions in the survey (see Appendix C for the full survey).

Additionally, two further characteristics were derived from computations:

- Apprenticeship hiring performance
- Estimation of the number of apprentices employed

The Apprenticeship hiring performance is presented in detail in Appendix A ("The real importance of apprenticeships between sectors").

Six groups were identified, with each group sharing a significant number of characteristics (i.e. survey responses). However, only 5 groups were of interest as the 6th group was comprised of only one company and could therefore not be considered as a 'trend'. The response from this company is, however, considered in the descriptive statistics.

It is important to keep in mind that these groups are not absolute. A company linked to a group may not share all its characteristics with the other companies in the same group. All of the groups are, however, defined by specifics that strongly bind companies within each group to each other. For example, nearly 80% of firms composing the fifth group employ less than 50 workers. Only 20% of companies in the other 4 groups employ less than 50 workers and therefore, this characteristic can be considered as specific to group 5 only.

¹¹ The clustering performed in this report is based on Huang, 1998, *Extensions to the k-means algorithm for clustering large data sets with categorical variables*

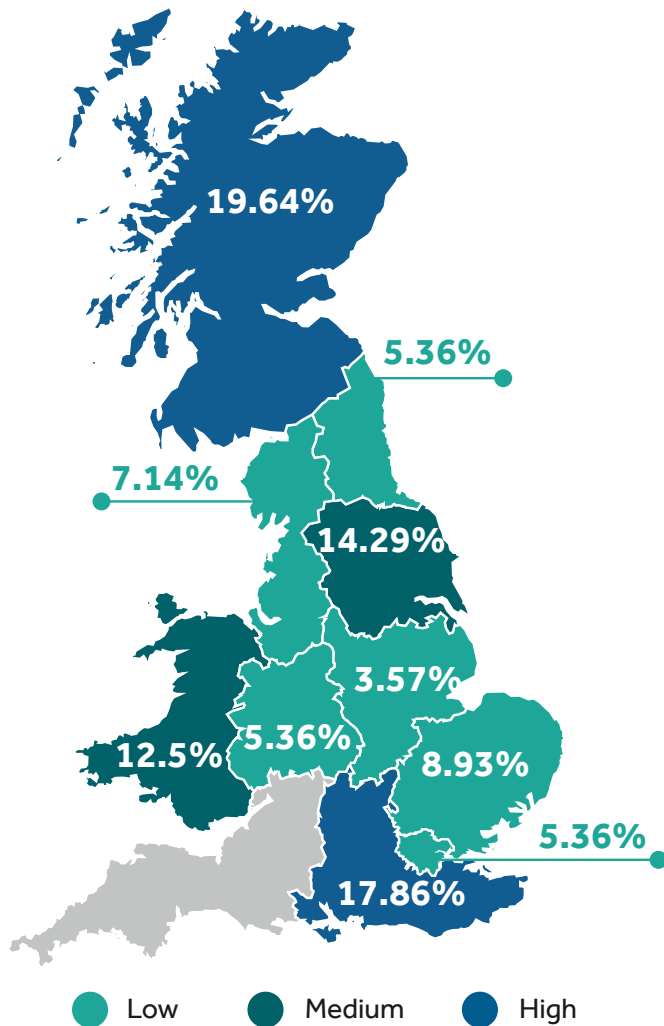


2. FINDINGS PART 1

Employer details

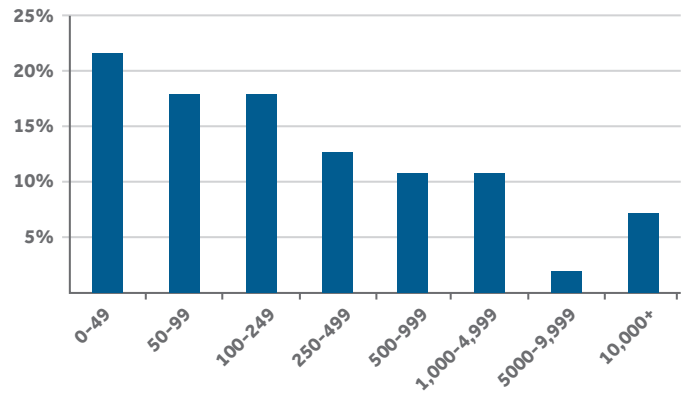
In total, 56 employers were surveyed across England, Scotland and Wales (18% of ECITB in-scope employers). Of these, 38 had their UK headquarters in England (68% of surveyed employers), 11 in Scotland (20% of surveyed employers) and 7 in Wales (13% of surveyed employers). This is fairly representative of the overall distribution of ECITB in-scope companies; from the total of ECITB in-scope companies, 76% are based in England, 17% in Scotland, and 7% in Wales.

Figure 1: Location of employer headquarters



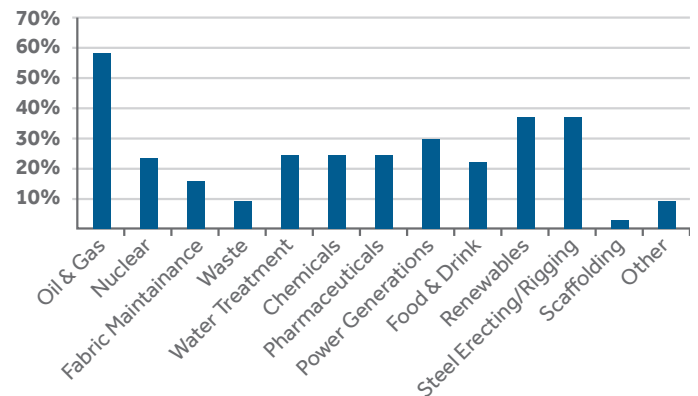
Of these, a good range of small and medium enterprises (SMEs) and larger companies were captured, from businesses with a workforce of under 50 employees represented to large companies with over 10,000 employees. For the purposes of this report, we have used the standard definition of SMEs as employing under 250 people.

Figure 2: Total number of employees



The survey reached employers across all major sectors comprising the ECI. Although the nuclear sector was not targeted for this survey, some employers work across a number of sectors and, of those surveyed, some indicated work in nuclear. Companies identified on the ECITB in-scope register of employers that exclusively work in nuclear were not targeted for this survey.

Figure 3: Sectors in which respondents are engaged



Seventy-five percent of respondents employed apprentices at the time of the survey, and of those, almost 85% employed between 1 and 10 in the period between September 2018 and September 2019. Only 10% of respondents employed between 11 and 20 apprentices, just over 2% employed between 21-30 apprentices and a further 2% employed over 50 apprentices in the period between September 2018 and September 2019.

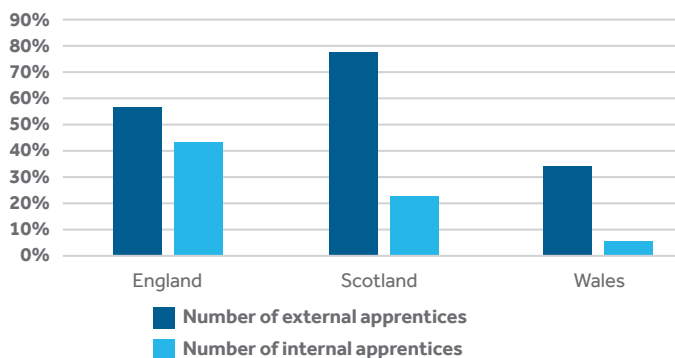
The national analysis demonstrates that this is true across England, Scotland and Wales:

Table 1: Percentage of companies that employ apprentices across respondents in Great Britain

	England	Scotland	Wales
% of companies that employ apprentices	78%	64%	88%
Percentage of companies that employ 1-10 apprentices	86%	60%	86%

In total, respondents to this survey employed a total of 446 apprentices in the period between September 2018 and September 2019. Of these, 60% were new recruits to the business on commencing their apprenticeship (we refer to these as 'external' apprentices). The remaining 40% were employed prior to starting their apprenticeship ('internal' apprentices). Whilst it is encouraging that the majority of apprentices are new recruits, the relatively high number of existing employees receiving training via the apprenticeship route is notable and merits further research. This suggests a number of things could be occurring, for instance, a lack of appropriate or accessible training alternatives for upskilling and reskilling; or a desire and potentially a need for England-based employers to gain a significant return on the apprenticeship levy. Indeed, the highest proportion of existing employees placed on apprenticeships was found amongst companies based in England:

Figure 4: Number of external and internal apprentices



The higher number of external apprentices in England may also come as a result of changes to funding rules. The reforms mean that there is no age limit for apprentices (whereas previously the route was reserved for those under 25) and greater flexibility in terms of prior training. As a result, a student who has completed A Levels is can join an apprenticeship scheme as long as the content is significantly different. Further research would be needed to determine whether or not internal apprentices are using the apprenticeship system to change careers or to progress in their current career in order to determine the exact usage of the Apprenticeship Levy for internal apprentices.

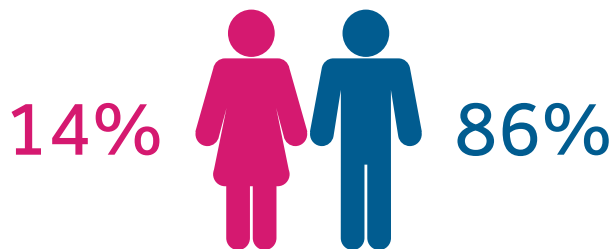
¹² ECITB/Pye Tait, 2019, *The Engineering Construction Industry Labour Market Outlook*

¹³ Royal Academy of Engineering, *The Business case for D&I* <https://www.raeng.org.uk/diversity-in-engineering/business-benefits-key-facts/the-business-case-for-diversity>.

Demographics

The ECI still faces a significant challenge in terms of diversifying its workforce, with just under 88% of all workers identifying as male¹². This is accurately reflected in the number of male and female apprentices employed by respondents, with only 14% identifying as female, demonstrating that industry must extend its efforts to appeal to a wider demographic of new entrants through apprenticeship routes.

Figure 5: Apprenticeship gender split



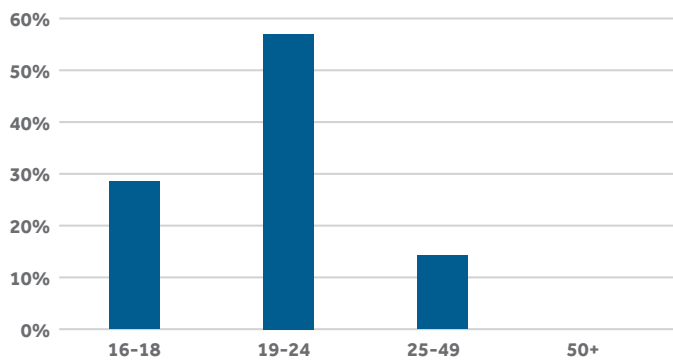
Just under 45% of companies had an established process to monitor diversity when recruiting apprentices whilst 30% did not, and 16% did not know. Those that monitor diversity tend to focus on gender with other characteristics such as ethnicity or disability not monitored as frequently. This puts the ECI behind the curve compared to other professions or even other engineering industries. Employers tend to rely on the applications that they receive; purely treating applications equally on its own will not encourage diversity. Actively promoting apprenticeships to underrepresented groups, engaging more with minority representation groups to find out why current methods aren't working, changing the way in which apprenticeship adverts are written, means of advertising and making the workplace more appealing to minorities, are steps companies should be taking to support diversity.

Research suggests that there are numerous business as well as social benefits that come with cultivating a diverse workforce.¹³

Diversity has been linked with greater creativity and innovation, as well as imperative to tackling the skills shortage and aging workforce, to name but a few.

The focus of apprenticeships in the ECI continues to be on younger recruits, with only 15% of apprentices employed by companies surveyed being between the ages of 25 and 49, and just under 85% being under 24 years old. Further feedback from follow-up interviews, confirmed that the majority of apprentices appear to be 19 years old, suggesting that the majority of the 56% falling in the 19-24 year old category are likely to be towards the younger end of the scale.

Figure 6: Age of currently employed apprentices



This trend is constant across the nations. Whilst this may be expected to be true in cases where the majority of apprentices are new recruits like in Scotland and Wales, it is also true in England where the significant number of internal apprentices might suggest an older average age. This, however, does not appear to be the case; amongst surveyed employers in England, 16 to 18 year olds make up 27% of all apprentices (internal and external) and 19 to 24 year olds make up the bulk at 55%. Follow-up interviews revealed that the 19 to 24 year old group may be larger than the 16 to 18 year old only because 19 year olds make up the bulk of that age bracket. The suggestion is that, were the 16 to 18 year old bracket expanded to include 19 year olds, this would by far be the largest age group. The follow-up interviews revealed that, regardless of geographical location, most apprentices joined an employer after completing some kind of level 3 classroom based qualification.

In Scotland, Modern Apprenticeships were by far the most popular, further indicating and reflecting that apprentices in Scotland tend to be new recruits into industry.

Figure 7: Number of learners on Scottish apprenticeships

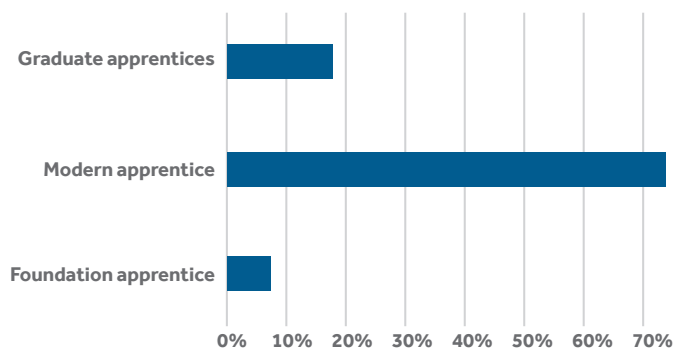


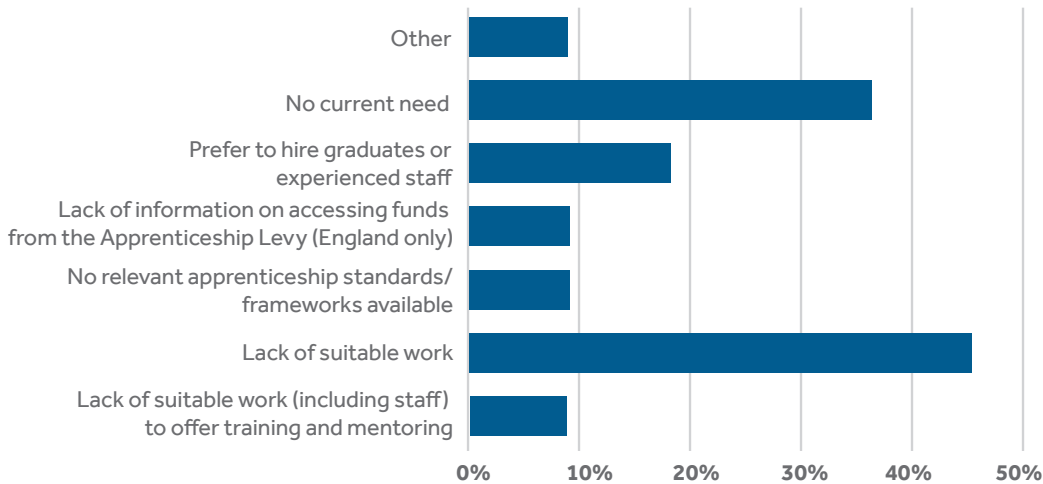
Table 2: RQF and SCQF Equivalence

RQF (England and Wales)	SCQF	Example Qualification
8	12	PhD
7	11	Master's/Graduate apprenticeship
6	10	Bachelor's with honours / Degree Apprenticeship / Graduate Apprenticeship
	9	Bachelor's without honours
5	8	Higher National Diploma / Foundation Degree / Higher Apprenticeship (Scotland)
4	7	Higher Apprenticeship (England, Wales)/ Modern Apprenticeship (Scotland)/Advanced Highers (Scotland)
3	6	A Levels/ T Levels / IB / Advanced apprenticeship / Highers (Scotland)/Foundation Apprenticeship (Scotland)/ Modern Apprenticeship (Scotland)
2	5	GCSE grades A*-C/ National 5 (Scotland)/ Modern Apprenticeship (Scotland)
1	4	GCSE grades D-G/ National 4
Entry 3	3	
Entry 2	2	Skills for life/National 1/ 2/ 3
Entry 1	1	

Barriers to recruitment

Of the 25% of respondents who did not employ apprentices in the period between September 2018 and September 2019, just over 80% quoted either a lack of suitable work or no current need as the main reason why they did not employ apprentices. Both of these responses refer to a lack of order book work, rather than work that involves tasks suitable for an apprentice. There were no national exceptions to this question, with all of England, Scotland and Wales producing similar responses:

Figure 8: Reason for not currently employing apprentices

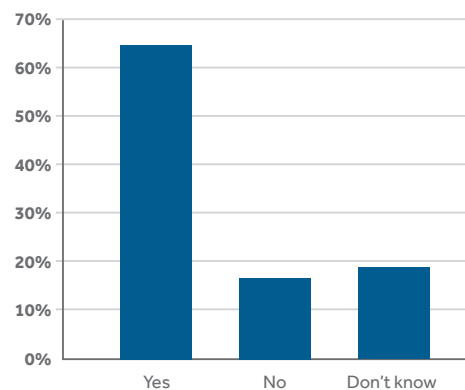


Respondents answering 'other' tended to work on an alternating yearly intake and the period from September 2018 to September 2019 fell outside of the recruiting year. Nevertheless, only 10% of all respondents base their approach to recruiting on an intake model (be that yearly or bi-annually). The majority (just over 46%) of companies approach apprentice recruitment according to their workforce needs, indicating that demand and suitability of work are the two greatest determining factors in apprenticeship recruitment according to the companies surveyed here.

Overall, the outlook for the 12 months following the survey appeared positive, with just over 65% of surveyed companies responding positively to whether or not they were planning on recruiting new apprentices. The total number of apprentices that these companies planned to recruit was, however, low. Eighty-two percent said they would recruit between only 1 and 5 apprentices.

It should be noted that these predictions were made before the Covid-19 crisis which has significantly impacted the landscape. Apprentice recruitment is now likely to be low and it is expected that this group will be amongst those who suffer the most from this crisis.

Figure 9: Apprentice recruitment plans over next 12 months

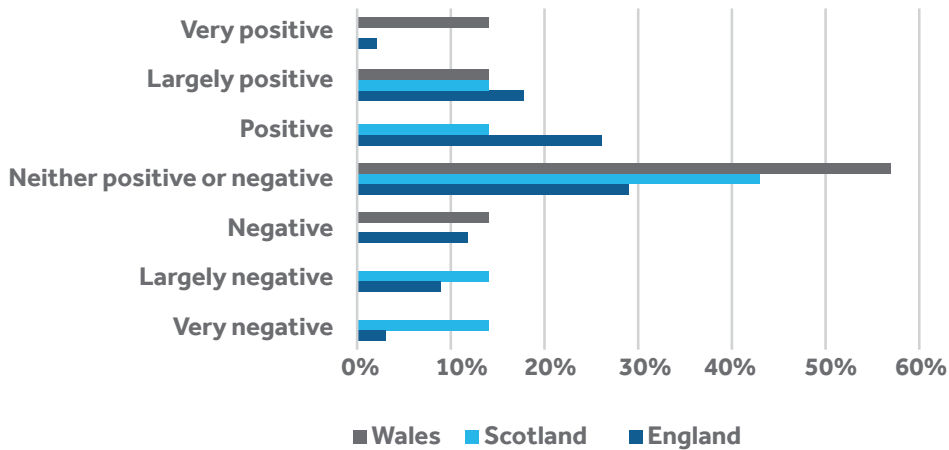


This is reflected across all 3 nations, with 61% of surveyed employers in England saying they would recruit apprentices in the next 12 months, 74% of surveyed employers in Scotland and 71% of surveyed employers in Wales responding positively. The numbers are cautious, however, with 75% of employers in England saying they would employ up to 2 apprentices, 43% in Scotland saying they would employ up to 5 apprentices, and 60% in Wales estimating to employ a maximum of 5 apprentices in the next year. This could be a reflection of the large number of SMEs in the sample (57%) who may be unable to employ larger numbers of apprentices; the lack of work mentioned as a key barrier to apprentice employment may also be a driving factor behind the low numbers of projected apprentice employment.

The Apprenticeship Levy

The majority of respondents pay the Apprenticeship Levy (just over 61%), but a significant 11% did not know whether their company pays or not. Generally, attitudes towards the Apprenticeship Levy across all three nations were either positive or indifferent. However, a not insignificant 19% of respondents hold a negative view of the Apprenticeship Levy. A further 19% of respondents did not answer this question and no assumptions have been made regarding their view on the Apprenticeship Levy.

Figure 10: Views on the Apprenticeship Levy



Perceptions of the Apprenticeship Levy: surveyed employers based in England

Employers were given an opportunity to comment on the Apprenticeship Levy and these comments match the general trends outlined in the Overview sections of this report. It is worth noting that employers who responded positively towards the perceptions of the levy also commented with constructive criticisms. A few comments were indicative of companies using the levy to train existing staff in an attempt to reclaim more of the funds paid into the levy, although this was not overwhelming. It is, however, worth noting the trend and monitoring this for the future.

Box 1: Further comments regarding the Apprenticeship Levy from employers in England

“Always room for improvement on how we make our annual return and how the (apprenticeship) levy is claimed back in funding.”

“It is very hard to comply with the conditions to recruit an apprentice and the terms of using the agreement are inflexible. It cannot be used towards in-house company costs, or other training only the specific apprenticeship costs from the provider.”

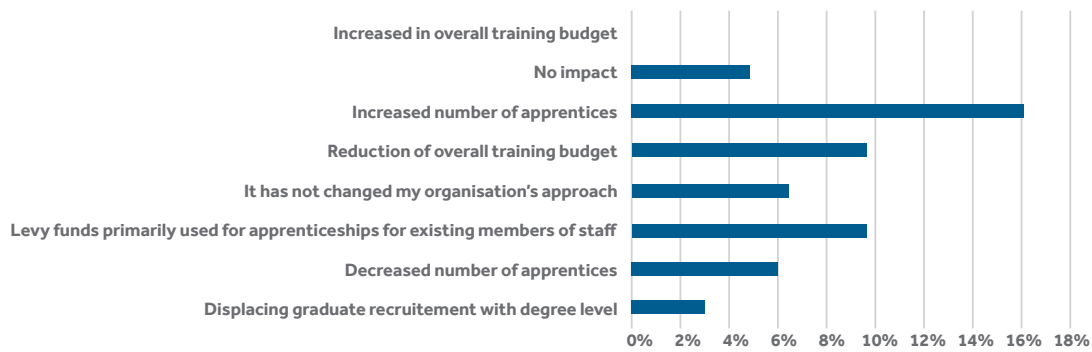
“Very difficult to get the money back as we employ qualified engineers and do not need to retrain them for the sake of getting the money back.”

“We are not able to recruit large numbers of apprentices and the off-the-job element of 20% for re-training current staff is not always feasible.”

“With the current state of the oil and gas industry, we are cautious about taking on apprentices, unless we know we can offer them a really good learning experience and a future career. So it is difficult for us to claim back the (apprenticeship) levy in kind.”

A relatively small number of surveyed employers that feel that the Apprenticeship Levy has affected their levels of apprentice recruitment:

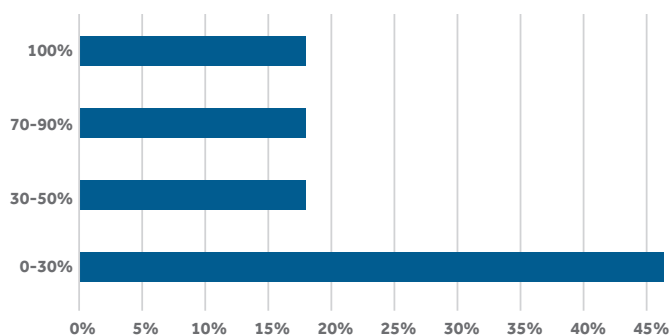
Figure 11: Impact of the Apprenticeship Levy on approach to recruitment and training (England)¹⁴



Only 16% of responding employers say that the Apprenticeship Levy has increased their number of apprenticeships. Whilst this may seem positive, it is a low number given that the Apprenticeship Levy was part of a set of reforms that sought to contribute to a substantial rise in apprenticeship numbers. Perhaps even more cause for concern is that the Apprenticeship Levy did not increase the training budget of any surveyed employer in England. One employer commented that 'due to the (apprenticeship) levy we aren't able to take on as many apprentices as we would now like.'

Almost 50% of all surveyed employers in England are recovering between 0 and 30% of their levy:

Figure 12: How much of your annual Apprenticeship Levy are you currently recovering for Apprenticeship training?



The qualitative interviews conducted after the survey had closed revealed that this was in large part responsible for the levels of indifference to the Apprenticeship Levy, supporting the view that it is perceived as a tax more than funding for training.

Approximately 71% of employers use the digital account system to access their Apprenticeship Levy fund and almost 60% of these find it easy to use, while 32% are yet to use it. The remaining 8% do not find the system user friendly.

Perceptions of the Apprenticeship Levy – surveyed employers based in Scotland:

In follow-up discussions and commentaries in the survey, employers appeared to view the levy as a tax which did not bring them either benefit or hindrance. Generally, employers were happy with the system that currently exists in Scotland and had no desire to replicate the English Apprenticeship Levy system. There was an understanding among employers based in Scotland that the Scottish Government had returns on the levy paid by Scottish companies via the Barnett formula. Surveyed employers in Scotland were generally satisfied with the level of funding for apprenticeships. This may explain why there are no strong views regarding the Apprenticeship Levy in the devolved nations.

The vast majority of employers were aware of Skills Development Scotland (SDS) contribution rates to training providers and these did not affect approaches to recruitment. Employers suggested that this would only be a factor in recruitment if the contribution rates were to drop and subsequently cover a smaller part of the training.

¹⁴ Numbers do not add up to 100% as respondents were able to select all relevant answers and not all chose to respond.

Perceptions of the Apprenticeship Levy: surveyed employers based in Wales:

Only 43% of surveyed companies with apprentices in Wales pay the Apprenticeship Levy, and one of those is a large company with headquarters in England. The levy contribution ranges from £25,000 to £1.4 million (significantly, though, this higher figure is from the company based in England).

Of these employers, almost 60% have neither a positive nor a negative perception of the Apprenticeship Levy.

Box 2: Further comments regarding the Apprenticeship Levy from employers across GB

Further comments towards the Apprenticeship Levy from all 3 nations:

"It is hard to utilise the levy, mainly due to the 20% off-the-job training element."

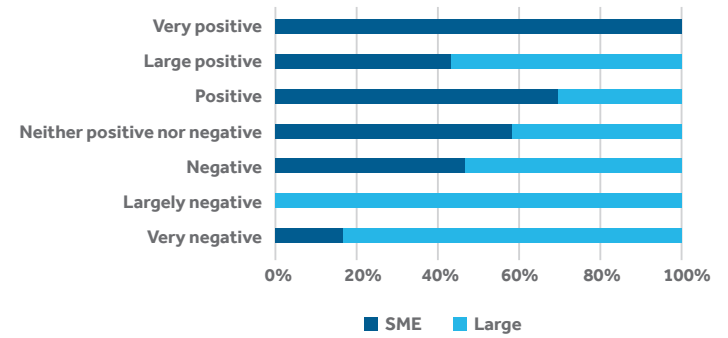
"Positive in terms of that it's good to see the Government and companies funding development of young people but there are a lot of restrictions to this. For example, the Scottish and English systems are so different, even though in the majority of cases the standards and frameworks are the same, this creates difficulty in creating consistency in the workforce."

"The levy is seen as a tax; it is implemented as a tax. It was not made for companies to recover 100% of their payments. The process is complicated and there is no support, nobody we can ask questions. Many things aren't simple or clear, for example, where does the burden of liability lie when we transfer our levy to companies in our supply chain?"

"Some of the rules are not clear, particularly surrounding EPA timescales. The advice from the ESFA has been confusing."

"As a tool to engage young people and broaden access, the levy has been key as the onus is on industry and employers to change how they think about early careers entrants. It forces businesses to look at new ideas and be future ready."

Figure 13: Views on the Apprenticeship Levy by company size



When we look at perceptions of the apprenticeship levy by company size, the SME attitude (comprising 57% of respondents), independent of geography, is largely positive, with just over 45% responding positively.

However, larger companies with a workforce over 250, responded negatively, with 41% saying that their impressions of the Apprenticeship Levy were negative. Significantly it is these employers that are likely making the largest contributions to the Apprenticeship Levy and therefore the most demanding in terms of return and standards.

Quality, provision and access

Employers across all 3 nations were overwhelmingly satisfied (88%) with the standard and quality of apprenticeships. Similarly, in terms of provision, 76% of respondents did not feel as though an occupation or profession was missing from the available Standards and Frameworks.

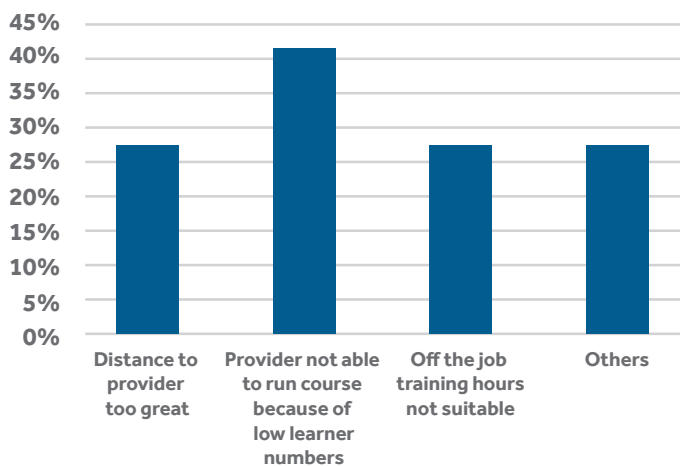
Of those who did feel that Standards or Frameworks did not cover all occupations, the following were mentioned as missing:

- Hydraulics Engineer
- Design and Engineering
- Project Management (in England)
- More offshore focussed apprenticeships (in Scotland)
- Mechanical Fitting (Construction Plant and Systems type (Wales))
- Non-manual engineering for example design and projects
- Instrumentation/Panel Wiring
- Mechanical and Chemical Engineering

Some of these are somewhat surprising (Project Management, for example). This could indicate a lack of employer knowledge regarding available standards, or a lack of availability of a standard in a particular geographical region or at a desired level.

Although the majority of respondents (86%) have good access to a local training provider, barriers do exist. The greatest barrier mentioned was that local providers were at times unable to run courses because of low learner numbers (40%). Funding for transport to providers was frequently mentioned in follow up interviews with employers as an area that the Government should focus more funding on.

Figure 14: Barriers to accessing a training provider



Amongst 'other' reasons, employers listed the following:

- Not always sure that the courses will take place
- Logistics
- Only have private providers in the local area

The majority of the employers surveyed were not sure (38%) whether their respective governments were doing enough to promote apprenticeships; a further 35% thought that their government was promoting apprenticeships enough; and 26% thought there was not enough promotion from their government. Whilst more employers are satisfied with current levels of government promotion than not, 35% is not convincing, particularly as a near equal amount of employers are unsure regarding the level of promotion done by their respective government. There is, however, recognition that responsibility for the promotion of apprenticeships lies not solely with the government, but also with employers, schools and mainstream media. Comments given in the survey and interviews conducted in the follow-up, show that many employers felt that they were doing their part by advertising when they have apprenticeship vacancies, attending careers fairs and engaging with local schools:

Box 3: Employer comments on government promotion of apprenticeships

"I am not aware of any UK Government support regarding awareness of apprenticeships. I am aware of apprenticeships due to my own experience of them, but don't see anything from the Government to promote them, it is all focussed on academic achievement through university."

"More information could be shared in England. We have a dedicated account manager in Scotland via Skills Development Scotland."

"Yes, we feel the UK Government uses various forms of communication very effectively and helps us recruit future cohorts of apprentices."

"We need to get into schools and tell them about engineering and the rewarding career it can bring. Taking the current carbon neutral agenda as a major problem which needs to be achieved and the position engineering at all levels has to play to achieve this. Link engineering to existing school curriculum to engage active minds and innovation."

"The Scottish Government need to further promote the benefits of apprenticeships to young people. We would like to see apprenticeships formally recognised as a positive destination and recorded as such within the secondary education statistics, engagement, and would not otherwise happen. Employers felt that even if just one teacher in a school had sufficient knowledge in how the apprenticeship system works, this would make a difference."

England

In terms of the quality and standard of available apprenticeships, an overwhelming 90% of all surveyed employers in England responded positively in favour of the Standards.

An interesting area of commentary in this area was surrounding assessment of technical knowledge:

"We do feel the various standards should include a Technical Certificate knowledge check embedded into the training. This is so the younger apprentices come away with a more robust and tangible overall qualification. Certain Training providers offer this as an added extra to the cost and others do not."

ECI Employer

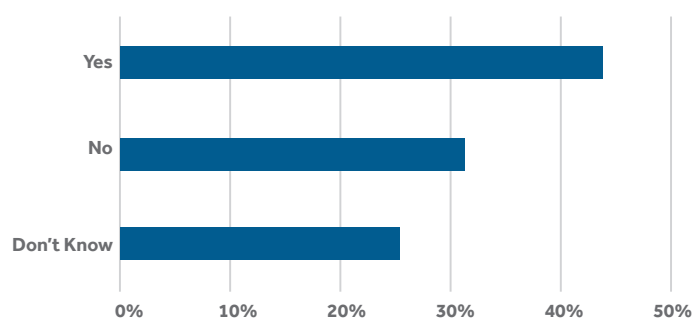
This suggests that some employers value having recognised qualifications built into apprenticeship standards. Although the Government has acknowledged that this is favoured by employers, qualifications are not mandatory elements of an apprenticeship.

Similar caveats apply when looking at access. Whilst most employers feel that they have good access to a local training provider, closer analysis of commentary suggests that there are issues in terms of location, cohort sizes, and course availability. Some employers commented that they would like to take on apprentices but that the local colleges do not offer the desired standards (pipefitting stood out as difficult to access). Others mentioned that there was only 1 college within a reasonable distance so no real choice of provider, whilst others have had to turn to private or distance providers to have their apprentice training needs met.

In terms of provision, half of the surveyed employers are satisfied with the level of the apprenticeships standards available. However, there is a significant proportion (37.5%) that would like to see more higher-level standards. Further analysis will be needed to determine whether this means more level 4+ apprenticeship standards relevant to the ECI (of which there are indeed few), and if so, what these new standards would reflect as the industry continues to adopt new technologies and tackle the challenges presented by decarbonisation. Further research should also take access and provision into account, as the current offering of level 4+ apprenticeship standards may be sufficient, but not accessible to all, potentially due to logistics and location, or cohort sizes and availability in local providers.

When asked whether they believe the level of Government funding for apprenticeships was sufficient, only 12% separated the negative and positive responses:

Figure 15: Are you satisfied with the level of Government funding for apprenticeships?



Responses to this questions include frustration at the funding being only available for the training element of apprenticeships, particularly where employers felt they were better placed than training providers to provide the skills and in-depth knowledge that learners required. Others commented on the lack of return from the Apprenticeship Levy and the need for greater flexibility on what funding can be used for, for instance to cover transport and personal protective equipment (PPE), as well as an extension to the 2-year expiry on current Apprenticeship Levy funds.

Almost 72% of the employers surveyed in England felt that they were sufficiently able to influence the content of apprenticeship standards. Whilst this is a positive indication, it could be indicative of high levels of engagement on behalf of the survey respondents. The grievances of the remaining 28% are important to take into account:

Box 4: Further comments regarding employer influence on apprenticeship standards

*"It would be nice to be made more aware and invited more effectively to steering groups-panels and add our industry knowledge to the future development of new standards etc....
Even when we contribute there is no guarantee that training providers will provide such training."*

*"Only the larger organisations have a voice with regard to this and they produce the worst apprenticeships for learners.
There are very few organisations that get involved in the process."*

"Time permitting."

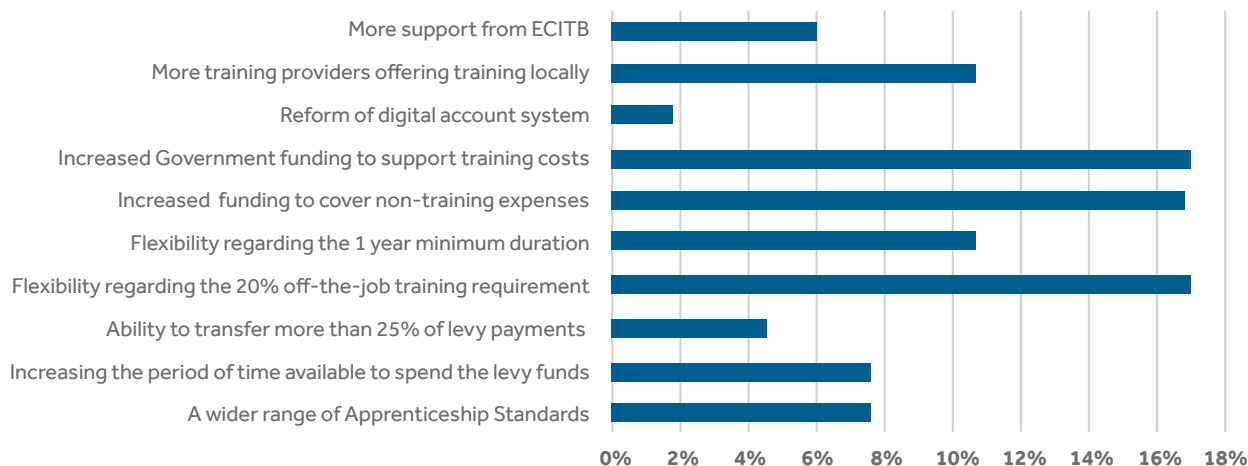
"Timing is an issue. Understanding how to create apprenticeships is another issue."

When asked what would encourage them to employ more apprentices in the future, most employers wanted to see an increase in Government funding for apprenticeships training costs (17%), an increase in funding for non-training costs (16.9%), and more flexibility regarding the 20% off-the-job requirement (17%) (see figure 17).

The call for more funding for apprenticeship training costs is slightly surprising given that 44% of respondents claim to be happy with the level of Government funding for apprenticeships (see figure 16). This may simply be because more funding will always be welcomed, or could demonstrate a more nuanced grievance that some standards are or were not adequately funded (for instance the welding standard which had to be rewritten as separate standards to receive adequate funding).

Follow-up conversations on this subject centred on the 20% off-the-job element of apprenticeships. Respondents highlighted that the off-the-job hours were not billable and therefore an expense that the company had to absorb. This results in pure cost with little benefit to the employer, most of whom felt that they could cover the off-the-job elements themselves. This additional cost to employers creates a barrier particularly with SMEs who already struggle with resource.

Figure 16: Which of the following would encourage your organisation to increase the number of apprenticeships it offers in the future (England)?



Scotland

Fifty-seven percent of employers in Scotland did not think that there were frameworks missing but a small number mentioned the following as areas for development:

- Design and Engineering
- Mechanical and Chemical Engineering
- More Offshore focused apprenticeship structured frameworks.

Just over 85% of surveyed employers in Scotland said they had good access to training providers in the local area, with the biggest challenge being the suitability of off-the-job training hours. The number of employers highlighting challenges was, however, minimal.

Thirty-three percent of employers in Scotland felt that the Scottish Government was doing enough to promote apprenticeships and a further 33% believed that the Government was not doing enough. Comments focused on knowledge and awareness raising, particularly in schools, with many employers mentioning the role of parents and their association with apprentices as the biggest influence on young people in terms of deciding between apprenticeships and higher education.

Box 5: Further comments on government promotion of apprenticeships from Scottish employers.

"I think there is a lot of information available for young people about apprenticeships but there needs to be more support for employers and how to roll out apprenticeships and manage the process with training providers."

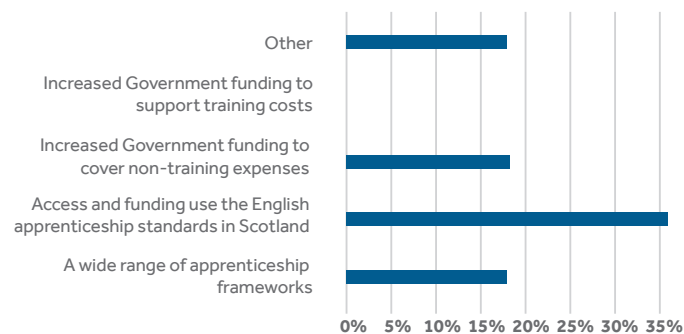
"The Scottish Government need to further promote the benefits of Apprenticeships to young people. Would like to see Apprenticeships formally recognised as a positive destination and recorded as such within the secondary education statistics."

"More information could be shared in England. We have a dedicated account manager in Scotland via Skills Development Scotland."

While generally employers were satisfied with the level of apprenticeships on offer, a small majority (57%) wanted to see more higher-level apprenticeships. Employers more often than not (57%) thought that they were not sufficiently involved in the process of developing apprenticeships, saying that the process was slow and that there was a lack of clarity and information on how to get involved.

Funding for non-training costs, a wider range of frameworks and access to English standards (for consistency across nations) are the factors that Government could act upon to help increase the number of apprentices in Scotland.

Figure 17: Which of the following would encourage your organisation to increase the number of apprenticeships it offers in the future (Scotland)?



However, whilst these are important policy implications, the evidence is not conclusive; there is a strong case to be made that the availability of work is the biggest factor in determining apprentice recruitment figures. More research is needed in this area to determine causality.

Wales

Only 1 employer we surveyed would like to see a new framework developed, namely Mechanical Fitting (Construction Plant and Systems type), and 86% felt that they had good access to a local training provider.

The most cited barrier to training was distance to the provider being too great (29%). However, only 11% of respondents believed that access to a Welsh Government universal grant to cover living and travel expenses for all apprentices, as is available for Welsh university students, would encourage them to employ more apprentices.

Of the surveyed employers based in Wales, 43% were happy with the amount of promotion of apprenticeships that the Welsh Government engaged in. A further 43% were unsure and the remaining 14% did not respond. Although almost half of these employers were satisfied, the large number of employers demonstrating uncertainty or no response is significant.

More positively, 57% of these employers felt that the Welsh Government funding of apprenticeships is sufficient, and 86% believed that they were sufficiently able to influence the content and development of frameworks.

Some 43% would like to see more higher-level apprenticeships in Wales, and a further 43% are satisfied with the current offer. This should be well received by the Welsh Government as the policy looks to increase the number of level 3 and 4 apprenticeships, and in the development of degree apprenticeships in Wales. Funding for initial entrants via the apprenticeship route was the first priority that employers believed the Welsh Government should focus on.

Brexit

Across all the employers surveyed, under half (47%) did not feel that there would be any foreseeable effect on the recruitment of apprentices as a result of the UK leaving the European Union. A further 35% were not sure what kind of impact may come and just over 17% felt there would be some negative impact, either through limiting recruitment, limiting the training budget, or making recruitment of apprentices more difficult. None of the surveyed employers thought that Brexit would have a positive effect on the recruitment of apprentices. It is important to bear in mind that this survey was conducted in December 2019, before the United Kingdom formally left the European Union on the 31st January 2020.



3. FINDINGS PART 2

Data Clustering

The following sections details the results of the k-prototype analysis. For the purposes of this report, respondents were put into 5 separate groups based on shared characteristics that emerged from the survey results. Each respondent can only appear in 1 group. Each of these groups have specific characteristics and represent a trend in employers' perspectives. In the following sections, the groups are compared with the overall data

(also called the 'normal data') which compiles all responses from all surveyed employers in order to explain how the groups are specific.

This analysis aims to find the characteristics of companies that have particular views on apprenticeships, the Apprenticeship Levy and provision. The analysis will therefore focus on these three areas.

Table 3: Summary of clustering

	% of sample	Main sectors	Predominant company size	Views on Apprenticeship Levy	Importance of apprenticeships	Specific characteristics
Group 1 The prisoners	15.52%	High diversity	Medium & Large	Negative	Medium	Big levy payers
Group 2 The risk averse	34.48%	Oil & Gas	SME	Neutral	Low	Need new apprenticeships standards or frameworks
Group 3 The conformists	8.62%	High diversity but predominantly Nuclear	Large	Positive	High	Plan to recruit apprentices
Group 4 The disengaged	24.14%	Oil & Gas	Large	Don't know	Very low	High level of uncertainty
Group 5 The investors	15.52%	Renewables, Nuclear, Water and Waste treatment	Small	Positive	Very high	Highest rate of apprentices hiring

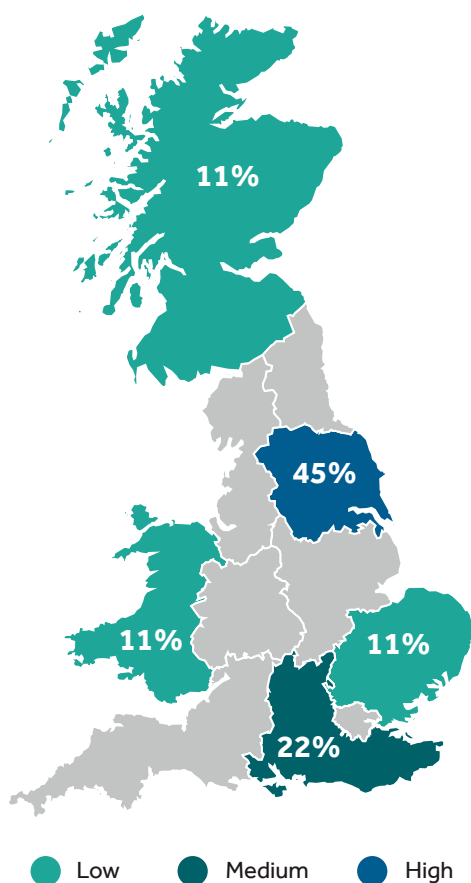
Group 1: The prisoners

15.5% of the sample

Key views on apprenticeships:

- This group is made up of big apprenticeship levy payers who feel imprisoned by the system and do not need this mechanism of funding to achieve their goals. The apprenticeship levy is most likely viewed as a tax that they are trapped into paying.
- Companies in this group are characterised by **their high level of uncertainty**. 66.5% of employers do not know if they will recruit apprentices in the next 12 months, compared to 18% when accounting for all companies surveyed.
- 44.5% of its employers have **negative views about the Apprenticeship Levy** compared to 18.7% of all surveyed employers. Companies in this group are also amongst the **biggest Apprenticeship Levy payers** of the general sample.
- They are mainly **satisfied with the standard and quality of apprenticeships** and usually **do not see any specific occupations they would like to see a new apprenticeship** standards or framework for.
- When compared to other companies and considering their size, employers in this group employ an average number of apprentices. The average age of apprentices is over 25 years old for 44% of them, indicating a possibility that they **do not use the Apprenticeship Levy to promote new entrants** to the labour market.

Figure 18 : Map of Group 1 geographical distribution

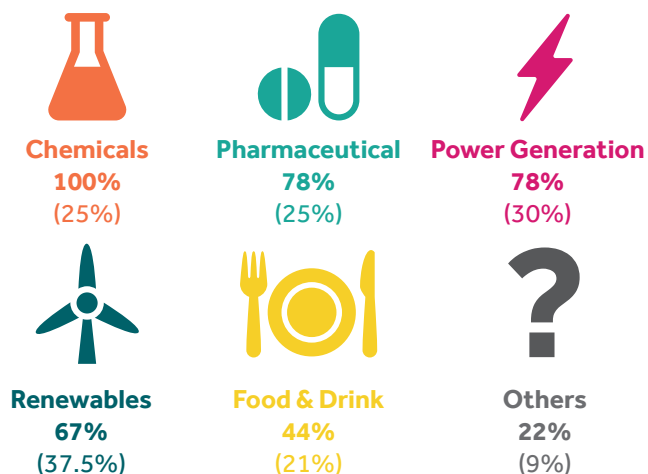


Main characteristics:

45% of firms in group 1 (G1) are based in Yorkshire & the Humber. 11% are located in the East of England, Scotland and Wales respectively, and 22% in the South East of England.

78% of companies within this group employ between 50 and 999 workers. The percentage of companies with this characteristic drops to 59% in the general data. Furthermore, 44% of companies in G1 are medium-sized, 10 percentage points more than in the overall data. G1 is thus characterised by the predominance of **medium-sized** and a few large companies.

Companies in G1 work in the following sectors. The values in brackets represent the totals of all surveyed employers.



These 6 sectors are overrepresented in G1 when compared to the general data. G1 is a very **diverse** group and its companies are **involved in a wide range of sectors**. Companies in G1 are nearly twice as likely to be involved in multiple sectors as companies in the other clusters.

Group 2: The risk averse

34.5% of the sample

Key views on apprenticeships:

- 85% of companies in group 2 (G2) **plan to recruit apprentices** during the next 12 months. 60% are keen to employ **up to 3 apprentices** within that time period (compared to 33% likely to employ up to 3 apprentices in the general data).
- Views towards the Apprenticeship Levy are neither positive nor negative. These employers mostly do pay the Apprenticeship Levy but are amongst the **smaller payers**.
- While 90% are **satisfied with the standard and quality of apprenticeships**, 30% **need new apprenticeship standards** or frameworks that are not currently available (compared to 17% in the general data).
- As a result, they **employ fewer apprentices** than average and, when they do, they are mostly **between 19 and 24 years old**.

Main characteristics:

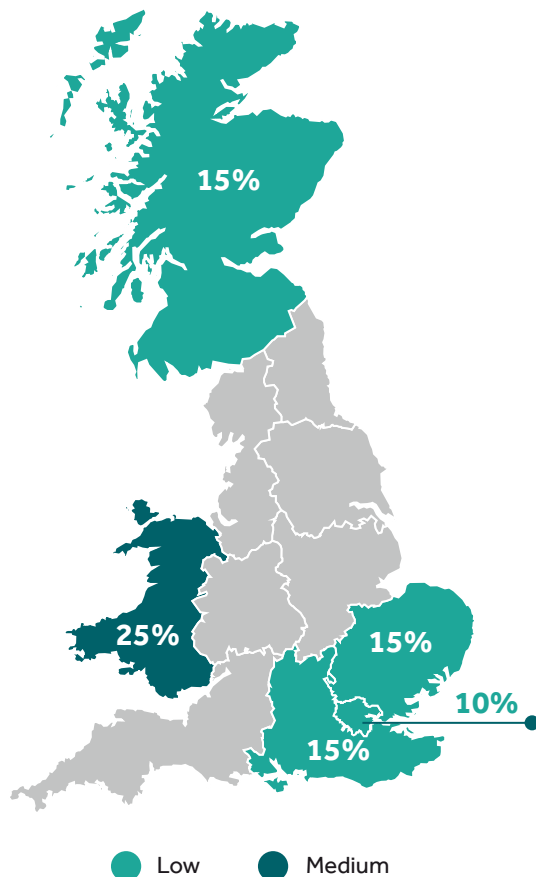
The 20% of companies not displayed on the map are widely spread across other regions.

G2 is composed of **65% SMEs**, with a high proportion of companies (40%) employing between 50 and 100 workers. Only 18% of all surveyed enterprises employ this number of workers.



70% of companies in G2 work in the oil and gas sector. This is much higher than in the general data (59%). Additionally, all the other sectors are underrepresented in G2 making this group very specialised. Companies in this group are **mainly only involved in Oil & gas**.

Figure 19: Map of Group 2 geographical distribution



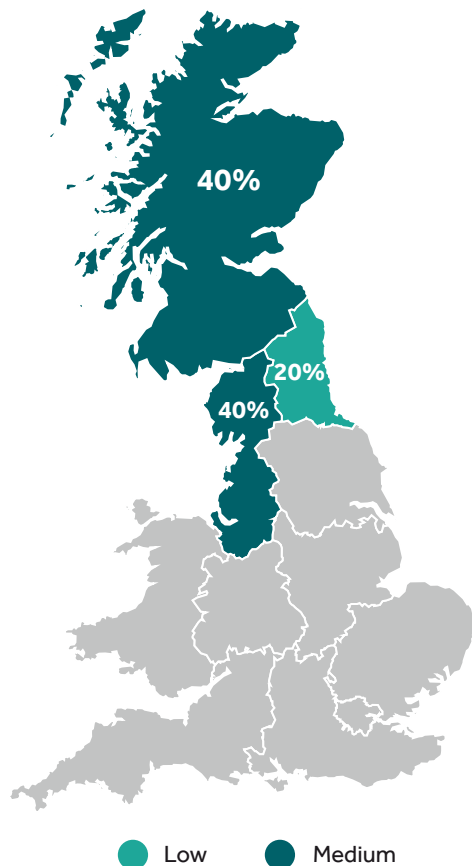
Group 3: The conformists

8.6% of the sample

Key views on apprenticeships:

- All employers in group 3 (G3) **plans to recruit apprentices** during the next 12 months. 60% expect to **hire between 4 and 9 apprentices** (compared to 17% in the general data likely to employ similar numbers) and 20% are likely to employ **more than 10 apprentices** (compared to 5% of all surveyed employers). G3 is one of the two clusters most engaged with apprenticeships along with Group 5 (see Appendix B 'The real importance of apprenticeships among sectors').
- 60% have **positive views of the Apprenticeship Levy** compared to 32% of all surveyed companies in the general data. The other 40% of employers in this cluster are neither negative nor positive. G3 is mostly composed of businesses that pay an **average amount to the Apprenticeship Levy**.
- 80% are **satisfied with the standard and quality of apprenticeships** and **no employer indicated a need for any new apprenticeship standards or frameworks**.
- These companies employ a **large number of apprentices** and 80% employ apprentices with an average age of **between 19 and 24 years old** (compared to 38% in the general data). The remaining 20% of apprentices employed by companies in this cluster have an average age of less than 19 years old (compared to 10% in the general data).

Figure 20: Map of Group 3 geographical distribution



Main characteristics:

All the companies in this cluster are concentrated in the northern parts of the UK.

80% of G3 are **large enterprises**, compared to 34% in the general data. 40% of companies in G3 employ between 250 and 499 workers.

Companies in G3 work in the following sectors. Totals for all surveyed employers are shown in brackets.



80%
(23%)



40%
(25%)



40%
(16%)



40%
(25%)



40%
(21%)



20%
(11%)

As with Group 1, G3's companies are involved in many sectors. Their specialisms are more oriented toward the nuclear sector.

Group 4: The disengaged

24.1% of the sample

Key views on apprenticeships:

- Group 4 (G4) demonstrates a **high level of uncertainty**. 57% of employers do not know if they will recruit apprentices within the next 12 months (compared to 18% in the general data). This uncertainty is intensified with 36% of employers stating that they will **not recruit apprentices**, which is the highest proportion of this response across all of the group, and is 3 times higher than in the general data.
- Their uncertainty is also perceptible when they talk about the Apprenticeship Levy. 86% are neither positive nor negative (36% of G4 compared to 29% in the general data) or to simply **do not know what to think about it** (50% of G4 compared to 19% in the general data). They are mostly **non levy payers**, which can mean that they are not so aware of how the Apprenticeship Levy works or are not directly impacted by it (in the case of Scotland and Wales).
- 15% of employers in G4 are **not satisfied with the standard and quality of apprenticeships**, twice the amount in the general data. 79% of them **do not know what to think** about the standard and quality of apprenticeships (compared to 24%). 79% are also unable to say if they need new apprenticeship standards or frameworks.
- Most of these companies **do not employ apprentices** and the rare times they do, they use apprenticeships to train workers over 24 years old.

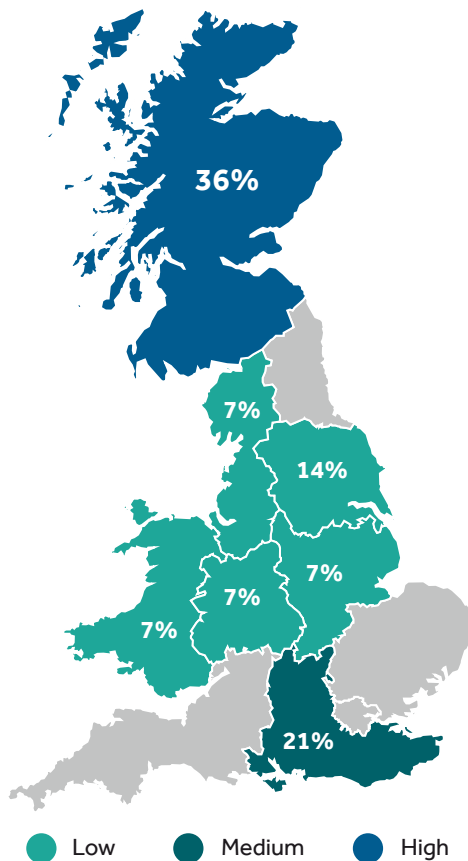
Main characteristics:

There is no geographical trend in terms of location of companies in G4, as they are spread across a number of regions. This is also the case for the size of the companies, however, there is a larger proportion of large companies in G4 (64%) than in the overall data (43%). This means that a lack of engagement with apprenticeships can be found in all types of companies, anywhere in the UK.



As in G2, Group 4 is very specialised, with **64%** of its companies working in oil and gas.

Figure 21: Map of Group 4 geographical distribution



Group 5: The investors

15.52% of the sample

Key views on apprenticeships:

- 78% of employers in group 5 (G5) **plan to recruit apprentices** in the next 12 months. Two-thirds expect to hire **up to 3 apprentices** (compared to one-third in the general data).
- 55% have **positive views toward the Apprenticeship Levy** (compared to 33%). They either do pay the Apprenticeship Levy, but are mostly among the **small payers**, or simply do not pay it.
- They are **very satisfied** with the standard and quality of the apprenticeships (89%) and **do not need new standards or frameworks** (78%).
- While it may seem that there are few apprentices in G5, its companies are the ones with **the highest concentration of apprentices** within their employees. Considering the size of these companies, this cluster is the most welcoming one for apprentices. They mostly attract apprentices **between 19 and 24 years old**.

Main characteristics:

78% of companies in G5 are small enterprises (employing up to 49 employees), compared to the general data where small enterprises make up only 21%.

Companies in G5 work in the following sectors. Totals from the overall data are given in brackets:



55.5%
(37.5)



44.5%
(23%)

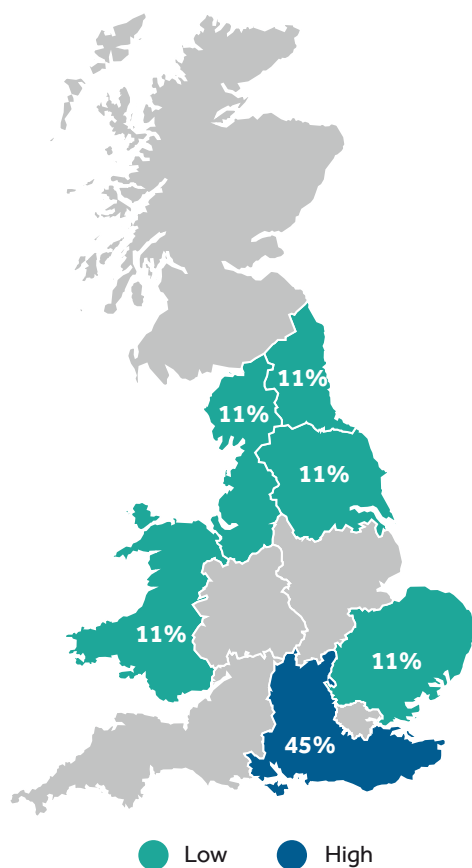


44.5%
(25%)



33%
(11%)

Figure 22: Map of Group 5 geographical distribution



4. CONCLUSIONS



The importance of choice

During follow-up discussions, all employers stressed the importance of apprenticeships, not only for the industry, but as a path for young people into skilled employment. This is further highlighted by the fact that 65% of surveyed companies plan to employ apprentices in the next 12 months. Many of those interviewed saw apprenticeships as a way of 'giving back' and providing an alternative to those who were not suited to or interested in further academic study, favouring a more technical approach with real work experience. Significantly, those interviewed did not express preference of one route over another, but rather the importance of real choice. That apprenticeships are important to the industry is an accepted fact; the existence of a real choice, is often not as apparent.

Regardless of geography, employers highlighted that the majority of their apprentices were not new to apprenticeships, having either a parent or friend that had taken this route, or came from a community where apprenticeships were well established. Many felt that those who had had no experience of apprenticeships were more likely to be sceptical and prefer higher education as a 'safer' option. The importance of parents, in particular, was frequently mentioned in the decision making process of school leavers' next steps.

Employers that frequently engaged with schools to promote the industry and apprenticeships in their companies, claimed a lack of knowledge amongst teachers with regards to apprenticeships. These employers stated that a lack of understanding and confidence lead to little or no promotion of apprenticeships in schools when compared to higher education, further limiting equality of choice. The lack of statistics on apprentice destinations and results when a perceived media bias to those of university leavers, combined with the media bias to covering higher education entrance and graduates, further puts apprenticeships at a lower standing. As this survey shows, employers feel that their respective governments could do more to promote apprenticeships as an equal choice to other education options post 16.

The Apprenticeship Levy

Most negative views toward the Apprenticeship Levy came from big levy payers. These companies do not face any difficulties in terms of engaging with apprenticeships and this can mean that they feel they do not need the levy system to hire apprentices, subsequently viewing the Apprenticeship Levy as a tax.

These companies' use of apprenticeships is limited considering their size, and younger workers and new entrants do not appear to be the main beneficiaries. Further research is needed to ascertain whether older apprentices are using the levy to undergo career changes (and therefore qualifying as 'new entrants' to the industry),

or if the Apprenticeship Levy is being used to upskill. This difference is significant, particularly in terms of measuring against the purpose of the Apprenticeship Levy. The stated policy aim of the Apprenticeship Levy was to "boost productivity by investing in human capital; the Apprenticeship Levy would help to deliver new apprenticeships and support quality training by putting employers at the centre of the system"¹⁵. There is a significant lack of clarity in this policy aim, as it gives no qualifiers as to whether new starts included those upskilling or reskilling, or how the number of starts related to productivity gains. As other research has demonstrated, there has been an increase in the number of higher level apprenticeships at levels 6+ being undertaken by older apprentices, with the likes of MBA's being repackaged as apprenticeships¹⁶. How these apprenticeships relate to productivity gains when skills shortages are elsewhere, is vague.

Similarly, the UK government's target of 3 million starts by 2020, does not stipulate whether these are to be new starters, or inclusive of apprenticeships used for upskilling and reskilling.

Further support

According to surveyed employers, the lack of suitable work is the main reason why companies do not currently employ apprentices.

To an extent, this is normal for an industry that functions on a contractual basis, where employers can often only plan up to 6 months ahead. This does, however, create complications, particularly for SMEs, when wanting to employ apprentices. An average apprenticeship in the ECI lasts between 3-4 years. This means that the employer needs to be able to plan for future contracts several years in advance in order to be able to provide work for the apprentice and see this person become a fully productive member of the workforce.

Supporting young people to train as apprentices without an employer may help to address the skills shortage and relieve employers who are unable to mobilise for contracts more than 6 months in the future. The ECITB supports young people who are unable to secure apprenticeships through its Introduction to Engineering Construction (ITEC) course. These young people effectively complete the first year of an apprenticeship and go on to complete with an employer. The programme has a high success rate and provides a route to industry for young people who would otherwise be NEET. A similar initiative involving employers willing to offer training, but unable to support an apprentice, could prove beneficial for the industry. Such an initiative could also help to support low learner numbers, one of the greatest barriers to accessing a training provider as cited by 40% of employers responding to this survey.

Allowing T Level students in England to transition onto a level 3 apprenticeship in a similar field of study could be

¹⁵ <https://www.gov.uk/government/publications/apprenticeship-levy/apprenticeship-levy#policy-objective>

¹⁶ EDSK, 2020, *Runaway Training*

a further means by which to support employers unable to take on apprentices immediately, but who need work ready new entrants sooner than a T Level can provide. T Level students will need substantial site-based training and experience before being considered work ready in this highly safety critical industry. Permitting Engineering and Manufacturing T Level students to transition onto a relevant, fast-track level 3 apprenticeship means less training time for an employer, and also speaks to the employer call for more flexibility on the 20% off-the-job training, if the T Level covers this element of the apprenticeship training. This could be the best way to make T Levels attractive to sceptical employers. Likewise for those who simply cannot afford to invest in upskilling and training a T Level student to become work ready, particularly over employing an apprentice who can be moulded from the commencement of their training. A combination of T Level and fast-tracked level 3 apprenticeship could see employers training T Level graduates in a more efficient and uniform way than what might occur if each employer developed their own training scheme. Such an approach would be beneficial to both industry and the learner, and might also encourage SMEs to take on more apprentices as the training time for 1 apprentice may be halved.

Diversity

The industry continues to suffer from a lack of diversity. In many instances, gender is the only measure of diversity collected by an employer. This survey provides evidence that there are only very few companies that actively engage in diversifying their apprentice intake, with the majority relying on 'what comes through the door'. There is little understanding of the effects of positive action as well as advertising in attracting a diverse intake, and little recognition of how making the workplace friendlier to minority groups will make it more attractive. Companies would be well encouraged to invest in diversity training and to take a much more pro-active approach to reaching out to underrepresented groups.

Brexit

Whilst the majority of employers surveyed were unsure of how Brexit would impact their recruitment or saw little foreseeable change, several follow-up discussions highlighted important concerns. Employers with contracts in mainland Europe expressed concern regarding immigration procedures; whilst until now it has been relatively simple to move workers from the UK to mainland Europe for contracts, these employers fear the added bureaucratic burden of visa applications and fees, along with higher travel costs. As a result, budgets may shrink and other areas of the business will suffer, one of these being training and apprenticeships.

Final comments

This survey demonstrates that overall, the state of apprenticeships in the ECI is quite healthy, but improvements do need to be made. The apprenticeship reforms do not appear to have made a large direct impact on the industry. However, further analysis is needed to provide clarity on the use of the Apprenticeship Levy to upskill and reskill and the effects of this on productivity and the skills shortage that the industry is suffering from. Another element of the reforms that need further study and potentially flexibility, is the 20% off-the-job requirement which results in pure cost for companies as these are unbillable hours. This is a cause for concern and is taken into account when deciding whether or not it is feasible to employ an apprentice. Once again, this weighs

5. RECOMMENDATIONS

particularly heavy on SMEs.

Recommendations

Following an analysis of the survey responses, the ECITB would like to make the following recommendations to both the Government and to industry, as well as other stakeholders.

- **Better promotion of apprenticeships**

Apprenticeships should be recognised as a destination on par with further academic study at both 16 and 18, and should be equally featured in school performance tables and destinations data. Official Government statistics should include apprenticeships in destination reporting, as is done with higher education, to raise the profile of apprenticeships. This information should be actively made available to mainstream media who have a responsibility to report on apprenticeships as a school leaving destination as much as it does on higher education. Apprentice completion data should also be published (by ESFA in England) this should include how many apprentices stay with their employer on completion, their roles and salaries on completion, and the types of businesses where apprentices are employed.

- **Clearer definition of an apprenticeship**

The Government should clearly define what an apprentice is. The IfATE uses the following definition:

An apprenticeship is a job with training to industry standards. It should be about entry to a recognised occupation, involve a substantial programme of on and off-the-job training and the apprentice's occupational competence should be tested by an independent, end point assessment. Apprenticeships are employer-led: employers set the standards, create the demand for apprentices to meet their skills needs, fund the apprenticeship and are responsible for employing and training the apprentice. But the needs of the apprentice are equally important: to achieve competence in a skilled occupation, which is transferable and secures long term earnings potential, greater security and the capability to progress in the workplace.

Not all training is an apprenticeship. Work experience alone, shorter duration training for a job, attending a course, or assessing and certifying an employee who is already working in the occupation, are all positive forms of learning and accreditation at work but they are not apprenticeships.¹⁷

The use of the term 'apprentice' to refer to non-school leavers is relatively new, and in the eyes of the public an apprentice is still a young person beginning their journey into the world of work. This is missing from the

IfATE definition which is vague on the level of entry an apprentice can make into an occupation. The definition clearly states "entry to a recognised occupation" which suggests early career stage. This could, therefore, include the use of apprenticeships for reskilling, i.e. a mechanism for people to retrain in a profession other than the one they are currently exercising. The definition does not exclude the use of apprenticeships to upskill within a profession, neither does it specifically include this option. Research has shown that this latter use of the apprenticeship levy draws on a significant amount of funding¹⁸. A clearer definition of what an apprenticeship is will allow for more scrutiny regarding the type of apprenticeships that are being funded.

A means of measuring the number of young people starting their careers, those retraining in a new occupation, and those undertaking upskilling, needs to be established. In light of concerns expressed by IfATE and others over the Apprenticeships budget, the Government may wish to consider different levels of funding for each usage of apprenticeship: career entry, reskilling into a new occupation, upskilling, to ensure that appropriate levels of funding are available for the most critical areas.

- **Decentralisation**

Apprenticeship delivery should be led through collaborative, regional partnerships, or where possible, linking with existing regional skills partner forums in a formalised manner, to focus on removing barriers to local delivery. These partnerships should consist of employer groups, industry associations, SME representation, training providers and awarding bodies, and local skills authorities. These partnerships would be closely aligned to local industrial strategies and would aim to address local skills shortages. Funding should be made available to these stakeholder partnerships to allow specific regional barriers to apprenticeships to be tackled. These could range from transport difficulties in more rural areas, to a lack of training providers in a particular area, or small cohort sizes for critical standards. Such a system which is akin to what some LEPs and Combined Authorities in England are already doing would encourage collaboration across a variety of stakeholders, sharing of best-practice, and a more efficient means of overcoming specific regional barriers that are often not addressed in a nationwide approach.

This level of decentralisation may also benefit the trailblazer model; trailblazers could be encouraged, wherever possible, to include employers from different regional stakeholder partnerships to provide a nationally acceptable apprenticeship design, and could be a means of including more SME voices in the design of standards. Using trailblazers to connect these regional partnerships may also encourage cross-

¹⁷ <https://www.instituteforapprenticeships.org/quality/what-is-a-quality-apprenticeship/>

¹⁸ EDSK, 2020, *Runaway Training*

regional sharing of best-practice.

- **Diversity**

Industry needs to improve the diversity of its workforce and this extends to apprentice recruitment. Greater understanding is needed within industry on effective ways to appeal to minority groups, and forms of positive action and advertising need to be revisited. Companies would be well advised to seek advice from several third sector specialist organisations like WISE, EqualEngineers, and Employers Network for Equality & Inclusion (ENEI). The Government would do well to extend the gender pay gap reporting to other characteristics to encourage measurement and action and incentivising smaller employers to monitor diversity, even though they are currently exempt from the GPG reporting. Given that apprentice cohorts in the ECI appear to attract relatively homogeneous group (albeit with notable exceptions), current methods are not working and employers need to do more to make the workplace more attractive to minorities and actively reach out to these groups.

- **On reforms in England**

The ECITB recommends that the Government looks at allowing more flexibility regarding the 20% off-the-job training. Whilst off-the-job training is recognisably important, a one size fits all approach does not seem appropriate, and employers would argue that this is more necessary on some standards than on others, where the off-the-job element would be better taught in the workplace. The Government would also be advised to look at the hidden costs involved with this element, namely unbillable hours, and how this could negatively affect the recruitment of apprentices

particularly by SMEs.

- **Further support**

The ECITB would like to see more alignment between the upcoming T Levels in England and level 3 apprenticeships. Given that the majority of ECI apprenticeships are at level 3, and the extensive amount of training and work-based experience that is needed to achieve competency in the industry, we suggest that the Government make it easier for T Level students from relevant subjects to transfer into relevant level 3 apprenticeships suitable for work in the ECI. This transition would require recognition of prior learning from the T Level, and allow for a shorter completion time of the level 3 apprenticeship, significantly increasing the attractiveness of T level students to the industry. This could tackle the problem of employers needing work ready recruits sooner than a T Level permits. If a student is fast-tracked through a level 3 apprenticeship, employers would be able to rely on mechanisms already in place, employers would better understand the knowledge a student has gained through the T Level, and a system of funding would relieve in-house pressures. This initiative could address the issue of more flexibility on the 20% off-the-job element of an apprenticeship through the recognition of prior learning. Using apprenticeships in this way could also support employers that lack long-term order book certainty, but need to mobilise apprentices quickly once orders come in.



APPENDICES

Appendix A

The real importance of apprenticeships among sectors:

Methodology:

By computing $\frac{\text{Number of apprentices}}{\text{Number of employees}}$ for each company, we can attribute a score to each company. This score should not be understood as a real proportion of companies' workers that are in an apprenticeship. Indeed, we cannot be sure that the respondents to this survey have accurately indicated their exact number of apprentices.

The number of employees in each company is also an estimation as an exact number of employees was not provided (employers were asked to estimate their number of employees using ranges). It is therefore impossible to rely on these answers to interpret this score as a proportion. It is only a way of representing how likely a company from this sample is to use apprenticeships. The estimate number of employees is based on the average between the two boundaries of each range proposed to employers when answering the question "Total number of employees deployed across all sites?" The largest range is "more than 10,000 employees" and 15,000 was used to estimate an average for all companies that responded in this range.

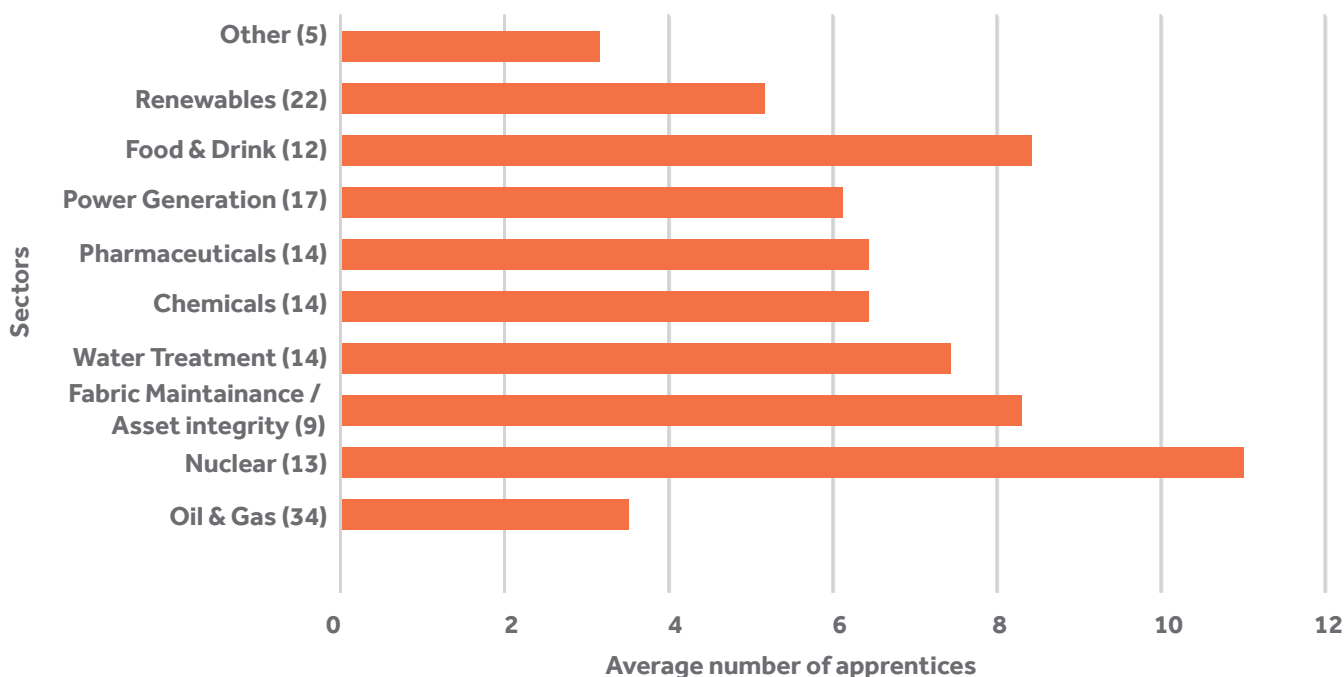
Finally, we can calculate the average of these scores for each sector.

Considering the number of answers from the survey, any hypothetical conclusion should not be used as representative of the entire ECI.

In order to understand to what extent a sector is "apprenticeship-friendly", we may be tempted to display the number of apprentices in each sector and compare them. However, this will create a bias as some sectors are bigger than others.

Another way of measuring this would be to compute the average number of apprentices in each sector. This measure is presented in the first graph that follows below.

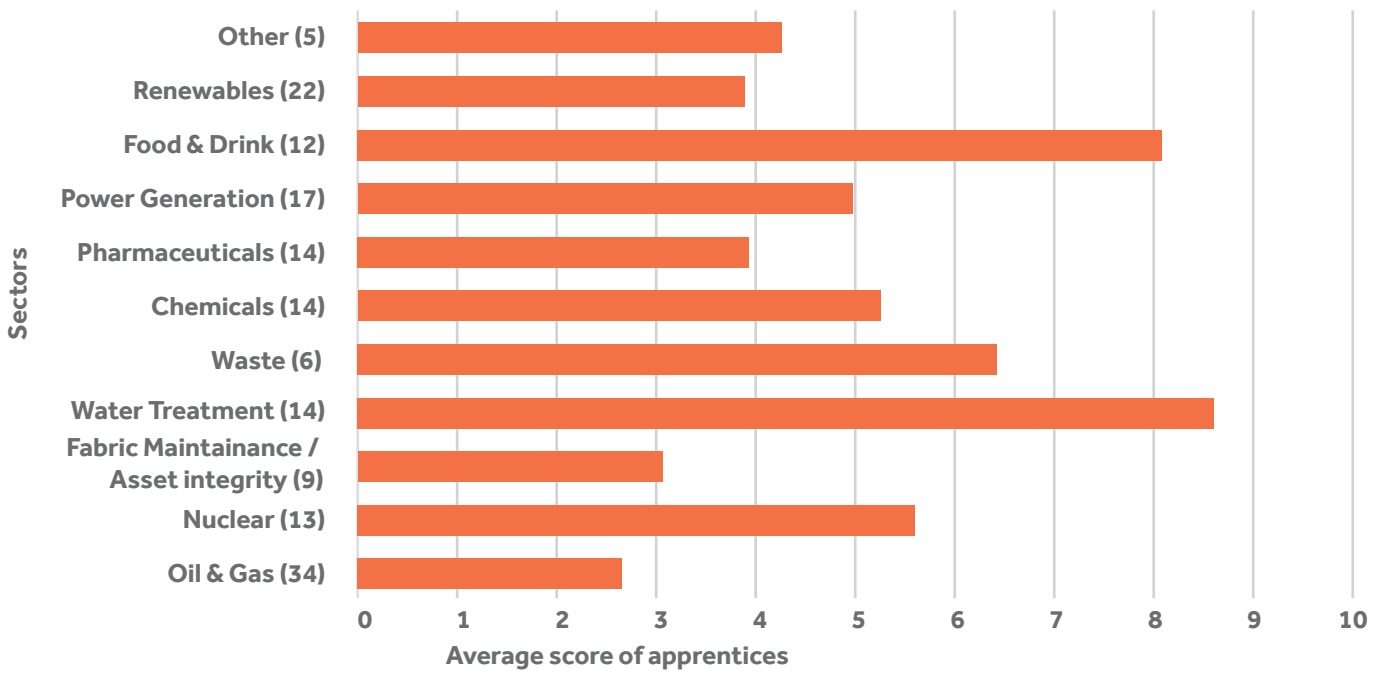
Average number of apprentices in each sector (number of companies in the sector)



Nevertheless, this method does not take into account the size of each of the companies engaged in each sector. A more accurate way of measuring the "apprenticeship-friendliness" level would be to create a score that will

eliminate the bias implied by companies' sizes. As you can see in the next graph, the results are quite different from the first one.

Score of apprentices in each sector (number of companies in the sector)



Example: Fabric Maintenance/Asset integrity seem to be some apprenticeship-friendly sectors but in fact, when sizes' biases are removed, it turns out that is not really the case. On the other hand, few other sectors are more apprenticeship-friendly than initially thought.

Such findings deserve deeper analysis using more complete data on the ECI in order to test if these trends are real or not.

Appendix B

Apprenticeship Standards utilised in England:

Control / technical support engineer (degree) L6 IFA Ref: ST0023	2
Multi-positional Welder (Arc Processes) L3 IFA Ref: ST0350	1
General Welder (Arc Processes) L2 IFA Ref: ST0349	2
Pipe Welder L3 IFA Ref: ST0851	2
Engineering Fitter L3 IFA Ref: ST0432	3
Associate project manager L4 IFA Ref: ST0310	4
Engineering Technician L3 IFA Ref: ST0457	4
Engineering Construction Pipefitter L3 IFA Ref: ST0162	9
Project Controls Technician L3 IFA Ref: ST0163	9
Maintenance and Operations Engineering Technician L3 IFA Ref: ST0154	14
Civil engineering technician L3 IFA Ref: ST0091	23
Electrical electronic product service and installation engineer L3 IFA Ref: ST0150	30
Non-destructive testing engineering technician L3 IFA Ref: ST0288	10

Apprenticeship Frameworks utilised in Scotland:

Engineering: Design & Manufacture L6	4
SEMTA – Scottish Modern Apprenticeship in Engineering NDT Pathway	3
Civil Engineering L6	3
Construction: Civil Engineering	1
Electrical Installation	1
SEMTA Engineering Framework L6	

Apprenticeship Frameworks utilised in Wales:

Construction Civil Engineering L3	7
Engineering Manufacture L3	9
Other apprentices in WALES not counted above	12

Appendix C

Survey Questions

1. Name of organisation (optional)
.....
2. Where are your UK headquarters based?
 - a. South East
 - b. London
 - c. North West
 - d. East of England
 - e. West Midlands
 - f. South West
 - g. Yorkshire and the Humber
 - h. East Midlands
 - i. North East
 - j. Scotland
 - k. Wales
3. Total number of employees deployed across all sites?
 - a. 0-49
 - b. 50-99
 - c. 100-249
 - d. 250-499
 - e. 500-999
 - f. 1,000-4,999
 - g. 5,000-9,999
 - h. 10,000+
4. Which of the following sectors do you work in?
 - a. Oil and Gas (Upstream and downstream)
 - b. Nuclear
 - c. Fabric Maintenance / Asset integrity
 - d. Waste
 - e. Water Treatment
 - f. Chemicals
 - g. Pharmaceuticals
 - h. Power Generation
 - i. Food and Drink
 - j. Renewables
 - k. Steel Erecting/rigging
 - l. Scaffolding
 - m. Other (please specify).....
5. Do you currently employ apprentices?
 - a. Yes
 - b. No
6. How many apprentices have you employed in the period between September 2018 and September 2019?
 - a. 1-10
 - b. 11-20
 - c. 21-30
 - d. 31-40
 - e. 41-50
 - f. 50+
7. During this period, what was the total number of apprentices in your organisation according to the following:
 - a. New recruits taken on as apprentices
 - b. Existing employees placed on an apprenticeship to retain and upskill
8. How many of your total current apprentices are:
 - a. Female:
 - b. Male:
 - c. Other:
9. Please enter the number of current apprentices in the following age categories:
 - a. 16-18
 - b. 19-24
 - c. 25-49
 - d. 50+
10. Approximately what percentage of your apprentices completed their apprenticeships in full in the period September 2018 - September 2019?
 - a. 0-30%
 - b. 30-50%
 - c. 50-70%
 - d. 70-90%
 - e. 90-100%
 - f. 100%
11. Of those that completed in the period from September 2018-September 2019, what percentage did so in a timely manner?
 - a. 0-30%
 - b. 30-50%
 - c. 50-70%
 - d. 70-90%
 - e. 90-100%
 - f. 100%
12. Which of the following options best describe why you do not currently have apprentices training within your organisation? Select all relevant answers.
 - a. Lack of time to offer training.
 - b. Lack of resources (including staff) to offer training and mentoring.
 - c. Lack of suitable work.
 - d. No relevant apprenticeship standards/frameworks available.
 - e. Training costs are too expensive and do not offer value for money.
 - f. Training providers and colleges are not accessible.
 - g. Training providers and colleges do not provide relevant courses.
 - h. Lack of information on accessing funds from the Apprenticeship Levy (England only).
 - i. Prefer to hire graduates or experienced staff.
 - j. Lack of suitable candidates.
 - k. Funding available from government is insufficient.
 - l. No current need.
 - m. Preferred standard has no end point assessment organisation (England only).
 - n. Other (please specify)

13. Does your organisation plan to recruit new apprentices in the next 12 months (including putting existing staff on apprenticeships to upskill/reskill?) If yes, how many?
- Yes
 - No
 - Don't know
 - If yes, how many?
14. Does your organisation have an established process to monitor diversity when recruiting apprentices?
- Yes
 - No
 - Don't Know
 - Other (please specify)
15. Which of the following best describes your organisation's approach to recruiting apprentices
- Recruit by need
 - Annual intake
 - Both of the above
 - Recruit if specified in contracted work
 - Other (please specify)
16. What is your organisation's average cost of training and employing an apprentice?
- £0 – 15,000
 - £15,000 – 25,000
 - £25,000 – 35,000
 - £35,000 +
 - Don't know
17. Does your organisation currently pay the Apprenticeship levy?
- Yes
 - No
 - Don't know
18. How much is your current annual Apprenticeship levy?
.....
19. Which of the following best describes your view on the apprenticeship levy:
- Very positive
 - Largely positive
 - Positive
 - Neither positive nor negative
 - Negative
 - Largely negative
 - Very negative
 - Please use comment box if you would like to make further comments:
20. In general, are you satisfied with the standard and quality of apprenticeships? If not, please comment.
- Yes
 - No (please comment)
 - Comments:
21. Are there any specific occupations you would like to see a new Apprenticeship Standard/Framework for? If so, please specify
- Yes
 - No
 - Comments:
22. Do you have good access to a local training provider for your apprenticeship needs?
- Yes
 - No
 - Comments
23. Which of the following barriers/challenges have you experienced in relation to accessing a training provider for your apprentices?
- Distance to provider too great.
 - Provider not able to run course because of low learner numbers.
 - Provider too expensive
 - Off the job training hours not suitable.
 - Other (please specify)
24. Do you feel the (Welsh/Scottish/UK) Government provides sufficient support to employers in raising awareness of apprenticeships among young people? Please specify in the comments section which Government you are referring to and if 'no', please comment.
- Yes
 - No
 - Unsure
 - Comments:
25. Would you like to see more higher (England and Wales: Levels 4+; Scotland Levels 7+) /lower level apprenticeships (England and Wales: Level 2; Scotland Levels 4 and 5)?
- More higher level apprenticeships
 - More lower level apprenticeships
 - Satisfied with current offer
26. Are you satisfied with the level of Government funding for apprenticeships? If no, please comment.
- Yes
 - No
 - Don't Know
 - Comments if no:
27. Do you believe employers are able to sufficiently influence the development and content of apprenticeship Standards and Frameworks? If no, please comment.
- Yes
 - No:
 - Comments if no:
28. Which of the following do you think should be prioritised in terms of Government apprenticeship funding? (Please rank the following with 1 being the most important)

- a. Funding for initial entrants on apprenticeships
 - b. Funding to upskill/reskill existing staff using apprenticeships
 - c. Supporting completion
 - d. Promoting apprenticeships
29. Do you believe Brexit will affect your recruitment of apprentices? Please select all relevant options
- a. Limit recruitment
 - b. Increase recruitment
 - c. Make it harder to find candidates
 - d. Make it easier to find candidates
 - e. Limit training budget
 - f. Increase training budget
 - g. No foreseeable effect
 - h. Don't know
30. Do you employ apprentices in England?
- a. No
 - b. Yes
31. How many apprentices do you currently have under the following Standards in England:
- a. Associate project manager L4 IFA Ref: ST0310
 - b. Civil engineering technician L3 IFA Ref: ST0091
 - c. Control / technical support engineer (degree) L6 IFA Ref: ST0023
 - d. Electrical electronic product service and installation engineer L3 IFA Ref: ST0150
 - e. Engineering Construction Erector/Rigger L3 IFA Ref: ST0433
 - f. Engineering Construction Pipefitter L3 IFA Ref: ST0162
 - g. Engineering Fitter L3 IFA Ref: ST0432
 - h. Engineering Technician L3 IFA Ref: ST0457
 - i. General Welder (Arc Processes) L2 IFA Ref: ST0349
 - j. Lifting Technician L2 IFA Ref: ST0267
 - k. Maintenance and Operations Engineering Technician L3 IFA Ref: ST0154
 - l. Metal Fabricator L3 IFA Ref: ST0607
 - m. Metrology Technician L3 IFA Ref: ST0282
 - n. Multi-positional Welder (Arc Processes) L3 IFA Ref: ST0350
 - o. Non-destructive testing[SG1] (NDT) operator L2 IFA Ref: ST0358
 - p. Non-destructive testing engineer (degree) L6 IFA Ref: ST0369
 - q. Non-destructive testing engineering technician L3 IFA Ref: ST0288
 - r. Nuclear Operative L2 IFA Ref: ST0291
 - s. Nuclear Scientist & Nuclear Engineer (degree) L6 IFA Ref: ST0289
 - t. Nuclear Technician L5 IFA Ref: ST0380
 - u. Nuclear Welding Inspection Technician L4 IFA Ref: ST0292
 - v. Pipe Welder L3 IFA Ref: ST0851
 - w. Plate Welder L3 IFA Ref: ST0852
 - x. Project Controls Technician L3 IFA Ref: ST0163
 - y. Structural Steelwork Fabricator L2 IFA Ref: ST0099
 - z. Other apprentices in ENGLAND not counted above:
.....
32. Have your apprentices been turned away by a training provider due to a lack of funding for apprentices from non-levy paying employers? If yes, please state how many apprentices have been turned away and why.
- a. Yes, please comment
 - b. No
 - c. Not applicable
 - d. Comment if yes:
33. What impact has the Apprenticeship Levy had on your organisation's approach to recruitment and training? Select all relevant answers.
- a. Increased number of apprentices.
 - b. Decreased number of apprentices.
 - c. Levy funds primarily used for apprenticeships for existing members of staff.
 - d. Displacing graduate recruitment with degree level apprenticeships.
 - e. Reduction of overall training budget.
 - f. Increase in the overall training budget.
 - g. No impact.
 - h. It has not changed my organisation's approach, it is written off as a tax.
 - i. Other (please specify)
34. How much of your annual apprenticeship levy are you currently recovering for Apprenticeship training?
- a. 0-30%
 - b. 30-50%
 - c. 50-70%
 - d. 70-90%
 - e. 100%
35. Are you registered on the Digital Apprenticeship Service?
- a. Yes
 - b. No
36. Do you find the digital account system easy to navigate?
- a. Yes
 - b. No
 - c. Not yet used it.
37. Do you currently put any apprentices through associated regulated qualifications alongside their training towards Apprenticeship Standards in England (qualifications not embedded in the Apprenticeship Standard)?
- a. No
 - b. Yes, please comment.
 - c. Comments if yes:

38. Which of the following would encourage your organisation to increase the number of apprenticeships it offers in the future, please select all relevant options
- A wider range of Apprenticeship Standards
 - Increasing the period of time available to spend the levy funds
 - Ability to transfer more than 25% of levy payments to another organisation (other employers, an Apprenticeship Training Agency (ATA) etc.)
 - Flexibility regarding the 20% off-the-job training requirement.
 - Flexibility regarding the 1 year minimum duration.
 - Increased funding to cover non-training expenses (e.g. apprentices travel and maintenance).
 - Increased Government funding to support training costs.
 - Reform of digital account system.
 - More training providers offering training locally
 - More support from ECITB (please specify in 'other' box)
 - Other:
39. Do you employ apprentices in Scotland?
- No - Skip this page, go straight to bottom of this page and press next
 - Yes - Continue to question 2
40. How many apprentices do you currently have under the following Modern Apprenticeship Frameworks in Scotland?
- Civil Engineering L5
 - Civil Engineering L6
 - Construction & Built Environment L6
 - Construction: Civil Engineering L3
 - Digital Applications L3
 - Electrical Installation L3
 - Engineering L2
 - Engineering L3
 - Engineering L4
 - Engineering Construction L3
 - Engineering: Design & Manufacture L6
 - Engineering: Instrumentation, Measurement & Control L6
 - Heating Ventilation, Air Conditioning & Refrigeration L3
 - Industrial Applications L2
 - Process Manufacturing L3
 - Process Manufacturing L4
 - Other apprenticeships in Scotland not counted above:
 - SEMTA – Scottish Modern Apprenticeship in Engineering NDT Pathway
 - ECITB – Scottish Modern Apprenticeship in Engineering Construction NDT Pathway
 - Other apprenticeships in Scotland not counted above:
41. Has your organisation taken on any Foundation Apprentices in the period between September 2018 and September 2019? If yes, how many?
- Yes
 - No
 - How many?
42. Has your organisation taken on any Modern Apprentices in the period between September 2018 and September 2019? If yes, how many?
- Yes
 - No
 - How many?
43. Has your organisation taken on any Graduate Apprentices in the period between September 2018 and September 2019? If yes, how many?
- Yes
 - No
 - How many?
44. Are you satisfied with the quality of training for apprentices in Scotland?
- Yes
 - No
 - Comments if no:
45. Are you satisfied with the administration of apprenticeships in Scotland? If no please give a reason for your answer.
- Yes
 - No, please comment
 - Comments if no:
46. Are you aware of the Skills Development Scotland (SDS) contribution rates to training providers?
- Yes
 - No
47. Are you satisfied with SDS contribution rates to training providers?
- Yes
 - No, please comment.
 - Don't know
 - Comments if no:
48. Do SDS contribution rates influence your recruitment plans?
- Yes, please comment:
 - No, please comment:
 - Comments:
49. Which of the following would encourage your organisation to increase the number of apprenticeships it offers in the future? Select all relevant answers.
- A wider range of apprenticeship frameworks.
 - Access and funding to use the English apprenticeship standards in Scotland.
 - Increased Government funding to cover non-training expenses (e.g. apprentice travel and maintenance).
 - Increased Government funding to support training costs.
 - More support from ECITB (please specify in 'other' box).
 - Other (please specify)

50. Do you employ apprentices in Wales?

- a. No
- b. Yes

51. How many apprentices do you currently have employed under the following Apprenticeship Frameworks in Wales?

- a. Advanced Engineering Construction L3[ME1]
- b. Advanced Manufacturing L6
- c. Advanced Manufacturing Engineering L4
- d. Construction Building L2
- e. Construction Building L3
- f. Construction Civil Engineering L2
- g. Construction Civil Engineering L3
- h. Construction Management L6
- i. Digital Degree Apprenticeship L6
- j. Electrotechnical L3
- k. Engineering Environmental Technologies L4
- l. Engineering Manufacture L2
- m. Engineering Manufacture L3
- n. Nuclear Power Plant Operations L3
- o. Nuclear Working L2
- p. Process Manufacturing L2
- q. Process Manufacturing L3
- r. Process Manufacturing L4
- s. Other apprentices in WALES not counted above:
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52. Which of the following would encourage your organisation to increase the number of apprenticeships it offers in the future, please select all relevant options

- a. Increased number of trainers available to support Welsh-medium apprenticeships.
- b. Access and funding to use the English Apprentice Standards in Wales.
- c. A Welsh Government universal grant to cover living and travel expenses for all apprentices, as is available for Welsh university students.
- d. The introduction of a 'Junior Apprenticeship' for pupils aged 14-16 as a first step to apprenticeships.
- e. A higher number of apprenticeships at level 3 and above as per the Welsh Government strategy on apprenticeships.
- f. More choice and availability of apprenticeships at level 3+.
- g. More engagement with employers by Regional Skills Partnerships to better understand skills shortages and skills issues?
- h. More support from ECITB (please specify in 'other' box).
- i. Other (please specify)

53. Do you agree with the Welsh Government's aim to integrate apprenticeships with further education courses, by adapting apprenticeship frameworks and further education learning programmes to create a system of integrated pathways?

- a. Yes
- b. No
- c. Don't know
- d. Comments

54. Please provide contact details for follow up and to

receive a copy of the final report:

- a. Name:
- b. Telephone number:
- c. Email:

55. Are you happy to be contacted for a more in-depth telephone discussion?

- a. Yes
- b. No

56. If you have any other comments regarding apprenticeships please comment here:

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