



**The National Assembly for Wales
The Education, Lifelong Learning and Skills
Committee**

Report on Consideration of Work-based Learning Issues



1. Introduction

- 1.1 The Education, Lifelong Learning and Skills Committee took evidence from organisations involved in work-based learning at its meeting on 11 January 2006.
- 1.2 The Committee agreed that following its consideration of the issues a brief report should be provided to Plenary on the general background to its consideration and the evidence provided to the Committee.

2. Background

- 2.1 Work based learning is funded by ELWa using funds received from the National Assembly. The European Social Fund also contributes to the cost of work-based learning.
- 2.2 Work based learning aims to:
 - ◆ Provide the breadth, range and flexibility of competence-based skills and knowledge required by those in employment to enhance their employability and career progression;
 - ◆ Enable participants not in employment the opportunity to acquire the appropriate skills and work experience to improve their employability; and
 - ◆ Provide employers with a workforce that has the skills and knowledge that they require to compete in the global economy.
- 2.3 The work based learning programme provides the following schemes:
 - ◆ Skillbuild;
 - ◆ Skillbuild Plus;
 - ◆ Skillbuild Plus Employed Status;
 - ◆ Foundation Modern Apprenticeship;
 - ◆ Modern Apprenticeship;
 - ◆ Modern Skills Diploma;
 - ◆ Bespoke Learning.
- 2.4 Her Majesty's Chief Inspector of Education and Training in Wales in the Estyn Annual Report for 2003-04¹ made a number of criticisms of work-based learning in Wales. In the light of this, the Committee decided to take evidence from Estyn on their findings.
- 2.5 The Committee also invited ELWa (the main funding agent for work-based learning), Fforwm (the organisation representing further education colleges and institutions) and the National Training Federation for Wales (which represents work place learning providers) to provide evidence on the action that is being taken or is needed to bring about improvements.

¹Annual Report of the Her Majesty's Chief Inspector of Education and Training in Wales for 2003-04, Estyn, 2005

3. Funding

3.3 The work based learning programmes are delivered on a nationally consistent basis following a tender process concluded in 2004-05. For the contract year August 2005 to July 2006, ELWa are managing a budget for work based learning of £114.830m received via the Welsh Assembly Government and European Social Funding. There are just over 100 providers receiving a share of this funding². ELWa estimate that this will support approximately 57,000 learners³

4. Estyn criticisms

4.1 In her Annual Report for 2003-04, Her Majesty's Chief Inspector of Education and Training in Wales made a number of criticisms of work based learning. In brief these were:

4.2 Standards

- ◆ The amount of good or very good work fell again in 2003-04. Only about 30% of work was good or very good while over the five years up to the Annual Report, 20% of the work had been unsatisfactory or poor;
- ◆ Standards achieved by trainees varied too much between different programmes;
- ◆ Not enough trainees were completing their key skills or technical certificates;
- ◆ Many trainees could gain their qualifications sooner but were not encouraged to do so enough;
- ◆ Not enough trainees were gaining their full qualification framework.

4.3 The main barriers to progress and faster and better completion were:

- ◆ Managers not monitoring closely enough the standards or quality of the training;
- ◆ Not enough support for providers to improve; and
- ◆ Uncertainty about the award of training contracts, which makes it difficult for providers to plan ahead.

4.4 Quality of education and training

In the 20% of provision where training was unsatisfactory, trainers:

- ◆ Did not plan training programmes well enough to meet the needs of trainees or the employers;

² ELWa, WBLF/CL/05/04 – WBL Contracts 2005-July 2006, Annex A – Contract Value, 8 July 2005

³ ELWa, *Making Learning Work for Wales, Business Plan 2005-08*, January 2005

- ◆ Missed chances to assess trainees' competence and key skills in the workplace;
- ◆ Did not set trainees challenging targets to improve; and
- ◆ Did not check trainees' progress carefully enough.
- ◆ Trainers did not test trainees' basic and key skills thoroughly enough at the start of the programme;
- ◆ Most employers and work-based training supervisors did not know enough about the National Vocational Qualification or the full qualification framework or the content of the specific training programme that a trainee was on.

4.5 Leadership and management

- ◆ The Annual Report found that the leadership and management of too many work-based training providers was unsatisfactory with managers generally not visiting each other to discuss good practice or offer support, mainly because of competition between them for contracts;
- ◆ Planning and management of training was unsatisfactory in 30% of providers inspected in the year, where this was the case, providers did not plan trainees' off-the-job and on-the-job experiences well and there was not a good balance between theory and practical work;
- ◆ About a third of providers had shortcomings in the quality management;
- ◆ Over three-quarters of providers did not collect or analyse information carefully enough on the progress trainees made;
- ◆ Managers did not use available information to set targets to improve training;
- ◆ There were very few resources available in Welsh.

4.6 Key Skills, Basic Skills and Welsh Medium Provision

- ◆ Too few trainees gained the key skills qualifications they needed to finish their qualification framework successfully, often because they did not get enough direct teaching on how to improve their key skills.
- ◆ There were not enough specialist teachers of basic skills within further education and work-based training providers;
- ◆ There was more support for literacy than numeracy.
- ◆ There were only a few work-based training placements where trainees had any training in Welsh;
- ◆ Overall, providers did not respond to the demand for Welsh-medium or bilingual training.

5. ELWa's Response

5.1 In response to the criticisms, ELWa's 2005-08 Business Plan stated:

ELWa is committed to the development of a coherent framework for assuring and improving the quality of learning it funds. Through the new Quality Framework, ELWa aims to fund only effective provision that demonstrates defined high levels of performance. Providers are responsible for managing the quality of provision, measuring learner outcomes and planning for continuous improvement⁴.

6. Recent developments

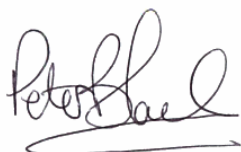
- 6.1 In the summer of 2005, ELWa announced a new Key Skills Support Project for Work Based Learning Providers⁵. This is a two-year project targeted specifically at the work based learning sector which aims to provide training that will boost the capacity of trainers to deliver skills in a work-based context. The project is being managed by Dysg on ELWa's behalf. Dysg will be delivering around 100 training events covering the effective teaching and learning of key skills. Information on the project and the courses available can be seen on the Dysg website at: <http://www.dysg.org.uk/kssp/ksforwbl.asp>

7. Committee Consideration

- 7.1 The Committee received a briefing paper from the Members' Research Service, which set out the background to the issue and whose main points are set out above.
- 7.2 In addition, each organisation was invited to submit a paper in setting out its position on the issue. These papers are at Annexes A to D. Each organisation was offered the opportunity to amplify these orally during the Committee meeting. The full transcript of the meeting can be found on the National Assembly's Internet⁶ pages

8. Conclusion

- 8.1 The Committee is grateful to the organisations and individuals concerned for their evidence and for making themselves available to answer Members questions. The Committee will consider this issue further when the ELWa action plan is published which is likely to be in mid March 2006.



Peter Black AM
Committee Chair

February 2006

⁴ ELWa, *Making Learning Work for Wales, Business Plan 2005-08*, January 2005

⁵ ELWa Press Release, *Key Skills the Yeast in the Loaf*, 8 July 2005

⁶ <http://wales.gov.uk>

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EDUCATION AND LIFELONG LEARNING COMMITTEE
WORK-BASED LEARNING

11 January 2006

EVIDENCE FROM ESTYN

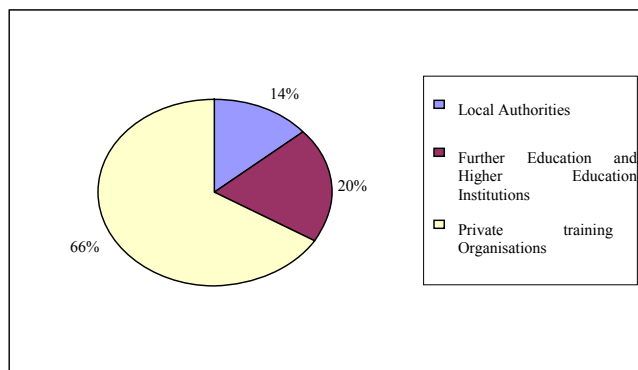
Estyn representatives:

Susan Lewis, HMCI

Elaine Allinson, Head of Inspection Division

Introduction

There are currently about 115 providers of work-based learning in Wales which are inspected as part of Estyn's six year inspection cycle. These providers are distributed across the sectors as shown in diagram 1 below:

*Diagram 1*

14% are local authorities, 20% are further and higher (one) education institutions, and 66% are private training organisations.

The size of provider, as defined by the number of learners, varies considerably between providers. Learners on work-based learning programmes follow one of a number of routes including Skillbuild, Foundation Modern Apprenticeships, Modern Apprenticeships and the Modern Skills Diploma. There is good and poor practice across all types and size of provider.

Estyn's Findings

The Annual Reports

The 2003-2004 Annual Report of Her Majesty's Chief Inspector of Education and Training in Wales highlighted the good features and important shortcomings in the performance of the work-based learning sector during Estyn's first cycle of inspections from 1999-2004. Important shortcomings were identified in leadership and management, the management of quality, and the standards achieved by learners. In this cycle we assessed the level of risk of the providers. Diagram 2 below shows the end of cycle outcomes of this assessment, where low risk providers were those with mainly high grades, and high risk providers were those with mainly low grades:

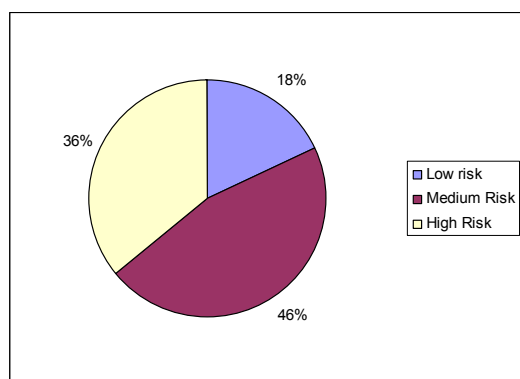


Diagram 2

Eighteen per cent of the providers were low risk, 46% were medium risk and 36% were high risk. This risk profile is a very much poorer profile than the other sectors where we have risk-based information.

The first year of the 2004 – 2010 cycle will be reported on in the 2004-2005 Annual Report which is due to be published later this month. This report will say that work-based learning continues to be a cause of great concern. Almost one-third of providers have shortcomings in the standards of training they provide (grade 4 or grade 5 in inspection areas). This compares with around one-fifth in 2003-2004 (but the number of providers inspected in both years is small).

In the second cycle the providers are inspected on the basis of their risk assessment from the first full cycle. In other words, high risk providers receive a full inspection, medium risk providers receive a standard inspection and low risk providers receive a short inspection¹. Eighteen providers have been inspected under the risk based model

¹ See Appendix 1

since September 2004. Diagram 3 below shows the distribution of the grades awarded by provider.

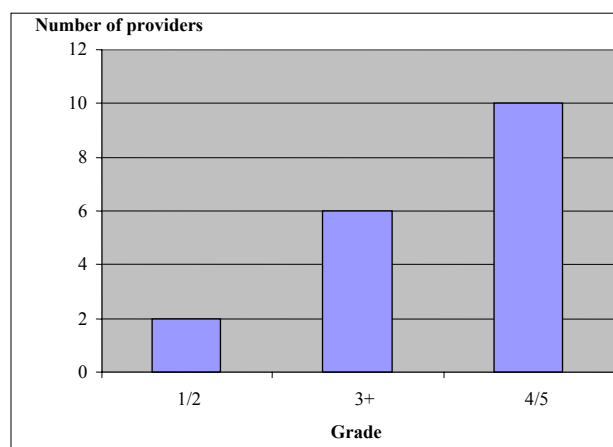


Diagram 3

Only two were awarded grade 2 or above in all inspected areas; 10 providers have significant shortcomings (that is one or more of the inspected areas at Grade 4 or 5); and the other six are at least above the quality threshold (grade 3 or above).

Standards in courses in health, public services and care, and construction, planning and the built environment are lower than in other learning areas. This is a serious issue given that many areas of Wales have difficulties in providing services for the health and care of young people, elderly people and vulnerable members of their communities. It is also a concern when so much of the employment base in Wales is in public services. Although a growing number of learners complete their National Vocational Qualifications (NVQs), not enough learners complete the key skills and technical certificates they need to achieve the full qualification framework.

The quality of training is a little better than last year. However, providers still have a lot to do before work-based learning in Wales is good enough.

Improving standards in education and training depends on the quality of leadership and management. The quality of leadership and management in work-based learning providers continues to have shortcomings. This year, leadership in 43% of the providers inspected has shortcomings in important areas or many shortcomings overall. Fifty per cent of the providers inspected in 2004-05 will be re-inspected within the next 12 to 20 months. This is because one or more of their learning areas and/or their leadership and management were below the quality threshold.

Sector improvement

Our evidence shows that some FE colleges are effectively applying their good FE quality systems to their work-based learning provision. This is improving the quality of

the training offered. This was not the case in the first cycle of inspections and is not the case across all colleges currently.

Some local authorities, particularly the larger authorities, have improved considerably since the first cycle. However, many of the authorities continue to offer poor quality training. This is a particular matter of concern because they cater for second chance learners with poor school experiences, low self esteem and poor and unrealistic aspirations. Also, this poor quality is because they are not always managed efficiently.

The quality of the private training providers varies widely from the very best in large providers and some of the small specialist providers to the very worst in some large companies where work-based learning is a small part of their overall business.

The success of the 14 to 19 Learning Pathways programme depends on Wales being able to improve its work-based learning sector.

Framework completion

Learners sign up to the achievement of the goals set out in their individual learning plans, which normally include the completion of a full qualification framework. The low level of attainment of full qualification frameworks and of the goals set out in these learning plans are issues in most of the learning areas. Estyn has discussed the reasons for this low attainment with the National Training Federation for Wales (NTF), the Welsh Assembly Government and ELWa. Some of the reasons put forward include the low base from which some learners start and their associated basic skills needs, and the often transient nature of learners in employment.

The Welsh Assembly Government's target of 50% achievement of full frameworks across all sectors presents a challenge for some providers, particularly those working in sectors, such as Care, where outcomes are particularly low.

At inspection Estyn does take account of distance travelled but in many providers this data is not captured. Accurate and reliable data of learners' progress and achievement is essential when providers are evaluating how well learners achieve. The poor quality, or lack of, data in the providers inspected so far has been a major issue for inspection teams when judging a provider's performance.

Basic skills

Many of the learners recruited since September 2004 have basic skills needs at or below level one in numeracy and literacy. Whilst many providers undertake a basic skills initial assessment of their learners, the results are not always recorded in individual learners' learning plans. Although the quality of basic skills support that learners receive is gradually improving, there are still too many learners on too many courses who are not receiving any support. A number of providers have been unable to address issues relating to learners' poor basic skills during their training programmes

due to a lack of funding and experienced staff to deliver the training. ELWa has recently changed the time span and increased the funding for the delivery of basic skills. Nevertheless, the shortage of suitably qualified basic skills staff remains.

Key skills

Providers which integrate key skills with the learner's NVQ achieve the best success rate for full framework completion. In these cases, providers ensure that learners' day-to-day work incorporates the key skills required. However, Estyn has consistently found that many providers miss opportunities for key skills to be developed and assessed in the workplace. As a result, only about a third of learners in the providers we inspected in 2004-05 achieved the key skills they need for their qualification. Many of the staff in work-based learning need training in how to offer learners key skills support as part of their main courses.

The way forward

Estyn has an established partnership arrangement with ELWa which aims to achieve a shared vision that all post-16 learners in Wales have access to education and training of the highest possible quality and standard. In the last 12 to 18 months we have worked with ELWa to set up self-assessment workshops for providers and have contributed to ELWa's own staff development programme to help them to better prepare for their quality assurance role. We have worked closely with the NTF and are developing a formal partnership arrangement to extend this work to improve standards of work-based learning. We are considering carefully other ways of ensuring and reviewing the quality of work-based learning provision and how best to respond to this sector's needs without compromising our position as an inspectorate.

The number and variety of work-based learning providers in Wales means that there is likely to be a high administrative cost in contracting with them all. If funding was more clearly linked to quality outcomes, those providers delivering the best quality provision could be funded to take the delivery lead for a consortia of providers. The main provider would then have more responsibility for driving up the quality of the sub-contractors in the consortia in a more structured way. Thus helping to provide a better deal for the learners and employers in Wales.

Another area for potential development could be the introduction of recognised middle and senior management training opportunities for staff in work-based learning providers. This would create a career structure within and across the provider organisations. Lifelong Learning UK may be able to assist with this type of development in Wales.

In addition, we would welcome the opportunity to discuss further the impact of the Welsh Assembly Government's single target of 50 per cent completion of full frameworks across all sectors. We support this target and recognise the need to ensure that all learners are given the opportunity to attain basic and key skills qualifications.

However, it may assist providers if this target was staged over time, for example according to the baseline attainment level by learning areas.

Remit work

We completed remit tasks on barriers to framework completion; and good practice in basic skills provision in work-based learning in 2004-2005. However, we have not been asked for any specific work-based learning remit work for 2005-2006. This lack of specific remit work means that we are unlikely to have the resources to visit providers of work-based learning other than on inspection. Experience in other sectors indicates that provision in poor providers often benefits from the contact maintained through remit visits by inspectors. The Welsh Assembly Government will wish to consider with us areas for future remit work which could include:

- Successful strategies for achieving full framework completions (to include good practice in delivering practical certificates in frameworks and successful strategies for delivery and assessment of key skills in work-based learning);
- Implementing self-assessment and improving quality systems;
- Improving learner's basic skills in work-based learning;
- Enhancing employer involvement in work-based learning;
- Good practice in specific inspection areas in work-based learning (eg construction); and
- Meeting the bilingual needs of learners.

Appendix 1

Risk Model Summary

From September 2004 in work-based learning inspections and from September 2005 in further education, Estyn will be customising the inspection of colleges and training providers in the light of the “risk” presented by the provider. Inspections will be described as either: short, standard or full inspections depending on the “risk” presented by the college or training provider.

The criteria used to categorise the risk in further education institutions and work-based training providers will operate at two levels:

First level: Estyn will use the inspection grades from the most recent inspection to calculate the level of risk. The level of risk will indicate whether the provider will be subject to a short, standard or full inspection.

Estyn will use the following criteria:

- the average grade for standards awarded to the institution or company from all its programme or occupational areas from the most recent inspections; and
- the percentage of grades 3, 4 and 5 for standards awarded to the programme or occupational areas.

A full inspection involves all seven key questions of the Common Inspection Framework and includes all inspection areas at all levels within the provider.

Inspectors will be required to evaluate and report on all key questions across the provider and key question 1 for each inspection area (inspection areas derive from subject/sector areas as defined within the National Framework of Qualifications. They are replacing occupational areas in work-based learning and programme areas in further education and will also be used in the inspection of adult and community education).

New or merged institutions, new work-based training companies and further education institutions (including FE in HE) and training companies with three or fewer areas of learning pose a high risk and will be subject to a full inspection.

A standard inspection involves all seven key questions of the Common Inspection Framework, but is limited to fewer inspection areas.

Inspectors will be required to evaluate and report on all key questions across the provider and a sample of about 50% of the inspection areas under key question 1. The

areas selected will include a representative spread of grades awarded to the institution in previous inspections.

A short inspection involves all seven key questions of the Common Inspection Framework, but is limited to even fewer inspection areas than the standard inspection.

Inspectors will be required to evaluate and report on all key questions across the provider and a sample of about 25% of the inspection areas under key question 1. The areas selected will include a representative spread of grades awarded to the provider in the previous inspections.

For all inspections, inspectors will be required to report on the planning and delivery of key skills across the provider, and to report on the standards attained in key skills in the main findings section of the report.

Second level: Nearer to the planned inspection, Estyn will analyse the most recent benchmarked performance data from ELWa.

The second level of risk-based inspections will focus on these performance indicators as criteria for the extent of the risk. If half or more of the performance indicator data from the provider is more than ten percentage points below the National Comparators then the risk will increase from low to medium or from medium to high. We will subsequently make corresponding changes to the type of inspection undertaken.

ELWa PAPER TO EDUCATION AND LIFELONG LEARNING COMMITTEE 11/01/06

THE ROLE OF WORK-BASED LEARNING

1. Work-based learning (WBL) is a bridge between education and work that allows people to "learn while earning". A national system of WBL ensures that learners are competent not only for the firm that employs them, but also have skills and knowledge with wider currency in the labour market. WBL includes provision from level 1 through to level 4, for young people and adults, and for both employed and unemployed learners. Traditionally, however, WBL is associated with the revival of the apprenticeship tradition and the development of intermediate skills (levels 2 and 3). More than two-thirds of contracted WBL provision is at this level.

2. ELWa's range of work-based learning programmes aim to:

- Provide a broad range of competence-based skills and knowledge to enhance employability and career progression
- Enable participants not in employment to acquire skills and work experience
- Help provide employers with a workforce that has the skills and knowledge to compete in the global economy

OVERVIEW OF WORK-BASED LEARNING PROGRAMMES

3. From August 2004 distinct youth and adult WBL programmes were merged into a single 'all-age' portfolio comprising:

- **Skillbuild** (formerly known as 'Preparatory Learning for Young People' and 'Employability Training for Adults')
- **Skillbuild Plus** (formerly known as 'Skillbuild NVQ level 1 for Young People' and 'Occupational Skills training for Adults')
- **Foundation Modern Apprenticeships** (FMAs, formerly 'National Traineeships')
- **Modern Apprenticeships** (MAs)
- **Modern Skills Diploma** (MSD, formerly 'Modern Skills Diploma for Adults')

4. **Skillbuild** is aimed at unemployed learners who are vocationally unfocused, lack confidence, have poor motivation or basic skills, and comprises:

- The identification of learning barriers that prevent the learner immediately accessing vocational learning at NVQ level 1 and above;
- The identification and addressing of a basic skills need; and
- Learning opportunities which provide learners with the breadth and flexibility of skills they need to enable them to better participate in the workforce and society at large.

5. **Skillbuild Plus** has two strands since August 2005: learning opportunities for both non-employed and employed learners. During the contract year 2004/05, Skillbuild Plus was aimed only at the unemployed. Skillbuild Plus (non-employed) comprises:

- Occupational learning to NVQ level 1 for young people who must be endorsed by Careers Wales
- Occupational learning to NVQ 1 or 2 or 3 for individuals in receipt of learning allowances paid through the Department of Work and Pensions.

Skillbuild Plus (employed status) is a programme for employed learners to undertake basic skills qualifications and core key skills at level 1. There is no requirement for young people to be endorsed by Careers Wales.

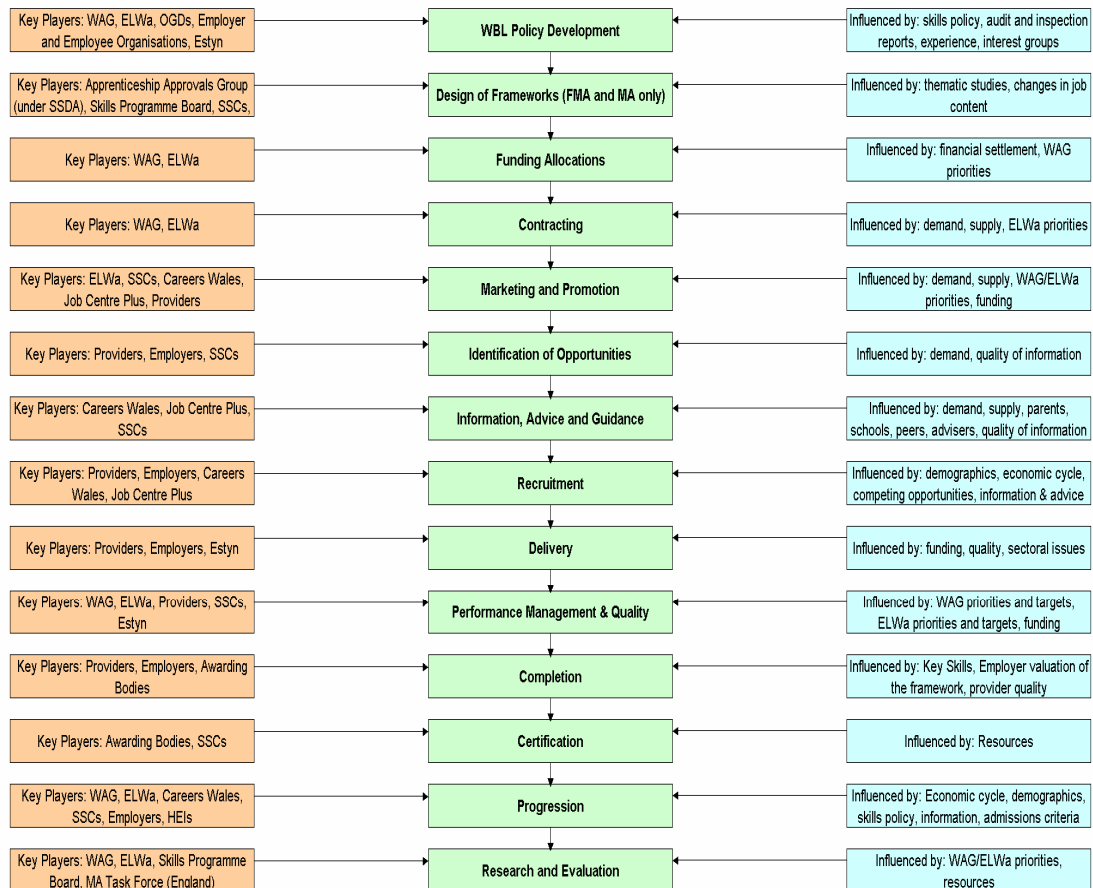
6. Maximum durations of funding (MDEF) apply to all adult learners and the Skillbuild Plus employed status programme. However, for unemployed young people i.e. those that are identified in the guarantee/extended guarantee group, Careers Wales can endorse for the length of time required for the learner to complete their Individual Learning Plan (ILP) as agreed under the programme of learning they have entered.

7. **Foundation Modern Apprenticeships (FMAs)** are employment-based programmes at level 2. **Modern Apprenticeships (MAs)** are similar in structure and involve learning to level 3, but unlike FMAs are only open to employed status learners. Both FMAs and MAs are based on frameworks devised by the relevant industry Sector Skills Councils. Frameworks include some combination of paid employment (or a placement plus training allowance on the FMA), an NVQ, a Technical Certificate accrediting underpinning knowledge, and Key Skills certification.

8. **Modern Skills Diploma (MSD)** is an employment-based programme at level 4. As with the MA it is only open to employed status learners. Entrants to this programme would normally be expected to already hold technician and/or people management positions. Under current transitional arrangements, learners will usually follow an existing MA framework at NVQ level 4. Learners may, however, follow the alternative MSD option of an MA framework plus an ELW approved knowledge based qualification at level 4 (from Section 96 of the Learning Skills Act 2000).

THE DELIVERY CHAIN

9. The delivery of WBL provision involves at least fourteen separate functions and a large number of organisations play roles in creating policy, overseeing content, managing, funding, delivering and quality assuring provision. For most of these organisations, the delivery of WBL is not their sole or even primary purpose.



10. One of the key distinguishing features of workforce development in the UK is the relative marginality of the Government-supported training infrastructure.¹ Only 1 in 25 employers in Wales have hosted trainees participating in WBL programmes.² The pivotal role in the WBL system is actually played by training providers. These organisations receive public funding to supply a range of services – especially off-the-job training and assessment – to firms that employ or provide placements for learners on WBL programmes.

BUDGET

11. In Financial Year 2004-05 ELWa allocated £104.5 million to WBL (including £9.5m ESF funding available from August 2004). The total figure represented 23.5 per cent of ELWa's Learner Provision budget. Of the total contracted provision for 2004-05, 15.6 per cent was Preparatory Learning, 13.9 per cent Skills Learning, 30.6 per cent FMAs, 35.5 per cent MAs, and 4.1 per cent MSDs (see table overleaf).

August 2004 – July 2005 contracted volumes (£million)

¹ Coleman, S and Keep, E (2001) 'Background Literature Review for PIU project on Workforce Development'

² Wiseman, J, Roe, P and Boothby, D (2003) 'Evaluation of Modern Apprenticeships and National Traineeships in Wales'. Bostock Marketing Group.

	Preparatory Learning		Skills Learning		Foundation Modern Apprenticeship		Modern Apprenticeship		Modern Skills Diploma	All programmes
	GE	UA	GE	UA	16-18	19+	16-18	19+	All ages	
Start payments	3.2	0.8	1.2	0.8	1.3	2.5	0.6	2.2	0.4	13.1
On programme payments	4.0	0.5	7.6	0.9	17.1		18.7		2.4	51.3
Outcome payments	5.0	2.0	2.4	1.1	9.6		14.0		1.2	35.4
Total	12.3	3.3	11.2	2.7	30.6		35.5		4.1	99.9

Note: Figures do not tally due to rounding.
GE – guarantee group, UA – unemployed adults

PARTICIPATION

ENROLMENTS ON WBL PROGRAMMES

Cumulative Learners in Academic Year 2003/04 2004/05

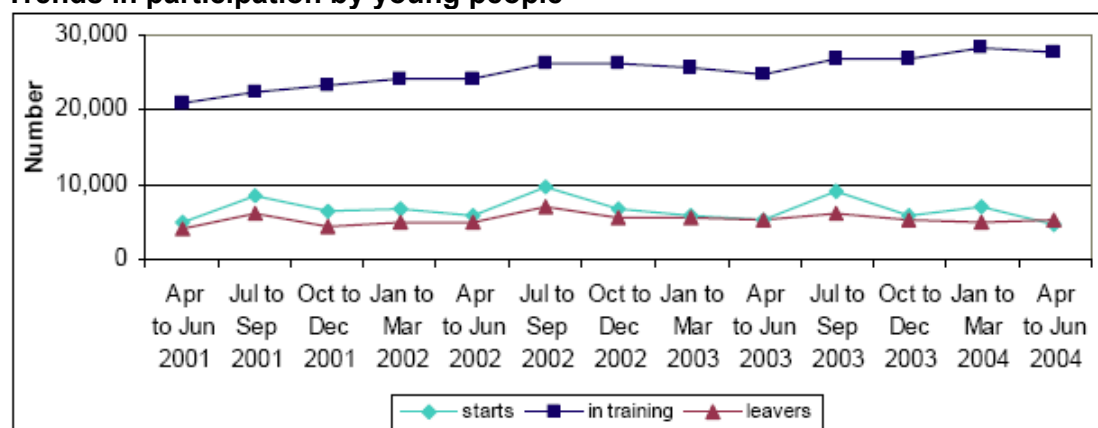
Modern Apprenticeships	18,950	21,260
Foundation Modern Apprenticeships	19,125	25,305
Modern Skills Diploma	2,165	2,680
Other WBL Programmes	14,790	17,915
TOTAL	55,030	67,160

In training on Reference Date 01/12/2003 31/07/2004 01/12/2004 31/07/2005

Modern Apprenticeships	12,235	13,400	13,090	13,430
Foundation Modern Apprenticeships	11,395	11,525	11,635	14,735
Modern Skills Diploma	1,470	1,500	1,595	1,645
Other WBL Programmes	6,195	6,180	4,745	5,335
TOTAL	31,295	32,605	31,065	35,145

Source: Further Education, Work -based Learning and Community Learning First Releases

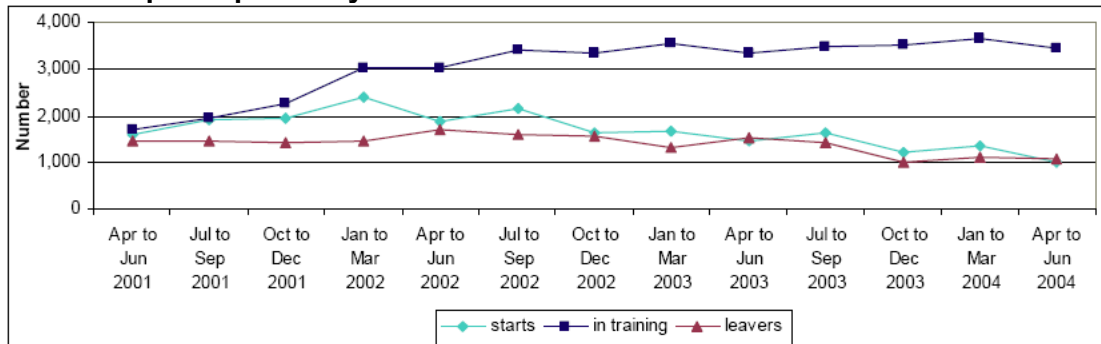
Trends in participation by young people



12. At the end of June 2004, just over 27,500 young people in Wales were on training courses. 48 per cent (13,095) were on MAs, 41 per cent (11,160) were on

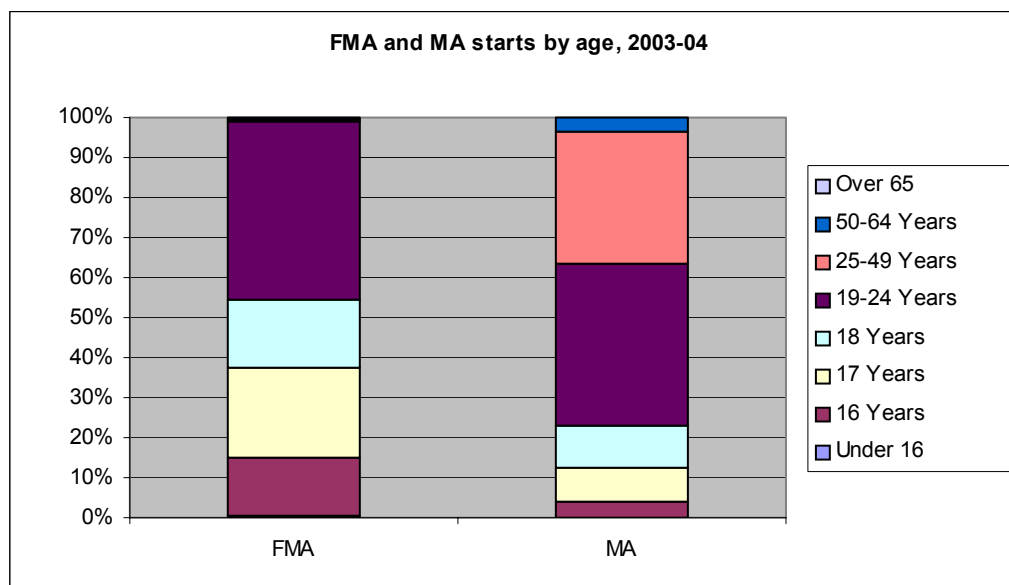
FMA and 11 per cent (3,055) were on Skill Build. There were 2,850 more young people in training at the end of June 2004 than at the end of June 2003, and 6,600 more than at the end of June 2001.

Trends in participation by adults



13. At the end of June 2004, 3,370 adults in Wales were on training courses. 44 per cent (1,485) were on Modern Skills Diplomas and 31 per cent (1,060) were on Skills Training. There were 1,670 more adults in training than at the end of June 2001. Since September 2002, the figure has remained at broadly the same level.

14. Although the total number of learners on WBL programmes has grown in recent years, the nature of the participants has changed since the 1980s. Traditionally, apprenticeship and similar programmes were aimed at young people, especially school leavers. However, WBL now has relatively low, fluctuating 'market share' of the Year 11 cohort – between 7 and 9 per cent. To some extent this has been compensated for by growing interest in WBL from adults. In 2003-04 over-18s comprised over 70 per cent of starts on the MA programme and nearly 50 per cent on the FMA.



COMPLETION RATES

15. Low completion rates have been a perennial problem affecting the FMA and MA programmes. In 2004-05, 29 per cent of learners on the FMA and 21 per cent of those pursuing the MA completed their full frameworks. Completion rates are higher in England: 35 per cent of Apprentices (equivalent to FMA) and 33 per cent of Advanced Apprentices (equivalent to MA) completed their frameworks in 2004-05. In Scotland completion rates for MAs are higher still, standing at 54 per cent in 2003-04 (there is no equivalent of the FMA in Scotland).

16. In many European countries with a strong apprenticeship tradition completion rates are substantially greater than those in any part of the UK: in Germany and France around 75-80 per cent, in the Netherlands and Denmark in the range 65-70 per cent. However, most of these countries have social systems and labour market regulations that are much more favourable to participation in, and completion of, apprenticeships than the historic 'voluntarist' approach to workforce development in Britain.³

17. There are substantial differences between completion rates in different sectors of the economy. In only three occupational areas (agriculture, business administration and leisure, sport and travel) did over a third of leavers on the FMA programme complete their full framework in the period 2001-03. On the MA programme, only two occupational areas, agriculture and engineering, had over a third of leavers completing their full framework.⁴ Equally, survey evidence suggests that employers in certain sectors place more emphasis upon full frameworks than others, with completion valued more in construction, engineering, travel and Early Years than retail, IT or accountancy.⁵ Overall more than half of early leavers from the MA programme, and over a third from the FMA, remain with the same employer beyond the cessation of their programme.

Occupational area	% of leavers completing their full framework
Agriculture	FMA – 49 MA – 47
Construction	FMA – 10 MA – 33
Engineering	FMA – 26 MA – 42
Manufacturing	FMA – 17 MA – 25
Business Administration	FMA – 34 MA – 30
Retail and Customer Services	FMA – 8 MA – 1
Leisure, Sport and Travel	FMA – 55 MA – 4
Hospitality	FMA – 19 MA – 15
Hair and Beauty	FMA – 30 MA – 21
Health, Care and Public Services	FMA – 16 MA – 26
Media and Design	FMA – 0 MA – 0

Source: Estyn (2004)

³ West, J (2005) 'Improving Completion Rates in Apprenticeship: A Comparative and Numerical Approach'. DfES/Apprenticeships Task Force.

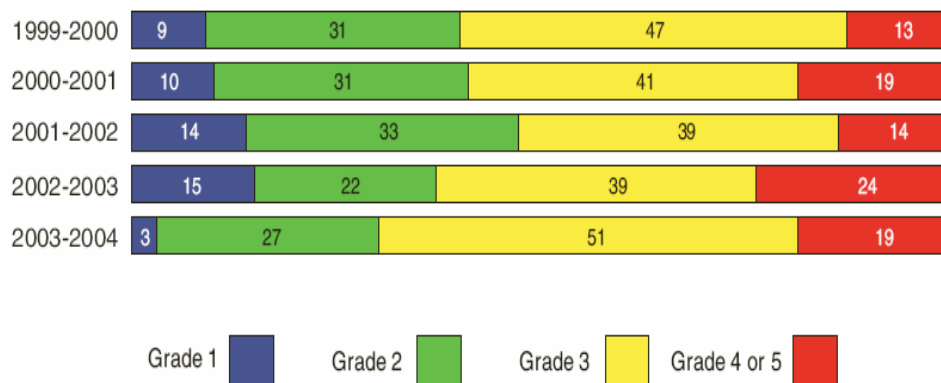
⁴ Estyn (2004) 'Barriers to completion of full training frameworks by learners in work based training.' Cardiff: Estyn.

⁵ IFF Research (2000) 'Modern Apprenticeships: exploring the reasons for non-completion in five sectors.' Nottingham: DFES.

QUALITY

18. The Estyn Annual Report 2003-04 noted “standards in WBL are a cause for concern”, highlighting that only about 30 per cent of work is good or very good (Estyn grades 1 and 2), compared to 20 per cent which is poor (grades 4 and 5).⁶

Percentage of classes



In charts where percentages have been rounded to the nearest whole number, they might not add up to 100.

Grade 1: Good with outstanding features

Grade 2: Good features and no important shortcomings

Grade 3: Good features outweigh shortcomings

Grade 4: Some good features but shortcomings in important areas

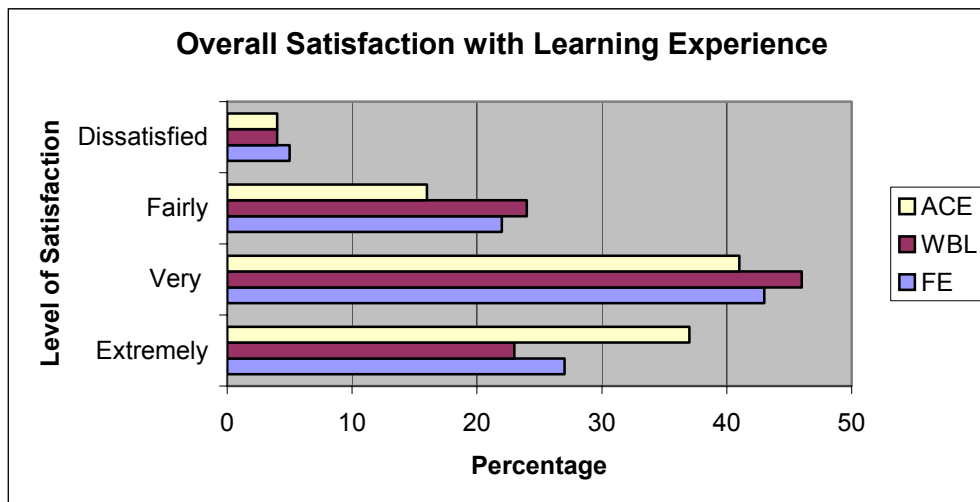
Grade 5: Many important shortcomings

19. Estyn has identified that much general provision, and the leadership and management of many providers, is unsatisfactory. Planning and assessment are often poor, and over three-quarters of providers do not collect or analyse enough information on the progress of their trainees. However, Estyn found that resources are adequate in the vast majority of providers, and that accommodation is generally good at both workplaces and training centres.

LEARNER SATISFACTION

20. Learners appear very satisfied with their experience of WBL. ELWa’s National Learner Satisfaction Survey, conducted in 2003, discovered that around seven in ten participants were extremely or very satisfied with their learning experience; most felt that their training had helped them achieve their objectives and levels of dissatisfaction were very low (4 per cent). The experience of learners in WBL compares well with their peers in FE and Adult Continuing Education.

⁶ Estyn (2005) ‘The Annual Report of Her Majesty’s Chief Inspector on Education and Work-based training in Wales 2003-2004’. Cardiff: TSO.



21. Those who were dissatisfied with their experience mainly cited reasons such as the programme not being what they expected. Even non-completers appear satisfied with their experience of WBL; in one study, despite not finishing, more than three quarters enjoyed their training and felt they learnt a lot and over half said it helped them in their career.⁷

KEY ISSUES

22. International benchmarks show that the characteristics common to countries with successful apprenticeship* systems include⁸:

- programmes with clear structures, often jointly regulated by employers and unions;
- high levels of participation, with learners drawn from a wide ability range;
- clear obligations related to off-the-job learning, which is integrated with the education system;
- trainee wages at a relatively low level compared to conventional employees, which makes the provision of places economic for firms; and
- good and accessible information about occupations and apprenticeship places.

23. The legal and institutional context in Wales and the UK as a whole makes it impractical or even undesirable to emulate all of these features. Nevertheless some elements of a potentially successful WBL system are already in place and in some ways – for example the accessibility of its “all-age” programme – Wales has distinctive strengths.

24. Research demonstrates that Wales is not necessarily ‘locked into’ poor WBL performance as a result of its industrial mix, socio-demographic profile, the state of

⁷ IFF Research (2000) ‘Modern Apprenticeships: exploring the reasons for non-completion in five sectors’. Nottingham: DfES.

* Work-based learning in Wales includes a broader range of provision than apprenticeships. In England, the term ‘apprenticeship system’ is sometimes used to embrace all of the former work-based learning for young people (WBLYP) including pre-apprenticeship programmes such as Entry to Employment.

⁸ MAAC (2001) ‘Modern Apprenticeships: the way to work’. Report of the Modern Apprenticeship Advisory Committee (‘The Cassels Report’). Nottingham: DfES.

the labour market or competition from full-time education. For all these factors the relationship with outcomes is weak or non-existent.⁹ This evidence reinforces the view that the main challenge for WBL is to improve the management, delivery and communication of the programmes.

25. The Skills and Employment Action Plan 2005 noted that more needs to be done to improve the quality of work-based learning, engage companies and ensure parents, teachers and careers advisors are aware of the Modern Apprenticeship route, so they can give impartial and accurate guidance. The Plan also highlighted the need to increase the numbers progressing to Modern Apprenticeships through Skillbuild and Foundation Modern Apprenticeships and link these programmes to the “Combined Apprenticeship” route being developed within the 14-19 Learning Pathways.

CURRENT INITIATIVES

Apprenticeship Blueprint

26. WAG, ELWa and ACCAC have worked with SSCs, sector bodies and partners in England including DfES, LSC and QCA to create a new ‘blueprint’ to guide the future design of apprenticeships in Wales and England. The blueprint defines the roles and responsibilities of key agencies and outlines both the essential components of a programme and areas where sectoral flexibility can be applied.

Provider Performance Review

27. The first Provider Performance Review (PPR) has been completed and feedback sent to providers on 10 November 2005. The outcomes of the review will be used to drive up quality and standards where they are considered to be below satisfactory. This means that where providers have been identified as giving rise to some or serious concerns, ELWa will be requiring action to address these concerns immediately with a view to demonstrating an improvement over the course of the next 6 months.

28. PPR outcomes also allow ELWa to target support for those providers who need it most. In addition to ongoing support from Learning Provision teams, soon-to-be-appointed Performance Improvement Advisers will be directed towards those providers who have been identified as having greatest need of support.

29. The Learning Provision teams are now arranging feedback meetings with providers. In December 2005 ELWa started a full evaluation of the first Provider Performance Review, which includes an examination of the PPR criteria, process and identification of how they can be strengthened.

WBL Improvement Plan

30. The Minister for Education and Lifelong Learning has asked ELWa to work with officials at WAG to prepare an improvement plan for WBL by the end of January 2006. The objectives for the work-based learning improvement plan are to:

- *Raise Awareness* –
 - Re-brand and communicate the constituent programmes of WBL;

⁹ West, J (2005) ‘Improving Completion Rates in Apprenticeship: A Comparative and Numerical Approach’. ATF.

- Improve the availability and dissemination of accurate and useful information on WBL opportunities for individuals, employers, parents and advisers; and
- Establish WBL as a credible choice for young people of all abilities.
- *Build Capacity* –
 - Increase employer participation to generate more work-based learning opportunities; and
 - Create ‘safety net’ arrangements to give individuals security of placement, or other opportunities should a placement be terminated.
- *Create Learning Pathways* –
 - Ensure that the programmes support common objectives with Jobcentre Plus provision; and
 - Develop proposals to increase learner progression.
- *Raise standards and attainment* –
 - Increase completion rates; and
 - Improve quality ratings.

31. Work on the improvement plan is assisted by an ELWa National Council advisory ‘sounding board’ with representatives from provider groups including the Association of Learning Providers, National Training Federation and Fforwm, chaired by Lord Ted Rowlands. Operational oversight of the project is being coordinated by the Assembly’s Skills Programme Board, which includes staff from different WAG departments, ELWa, ACCAC and SSDA. Meetings have also been held and submissions obtained from Careers Wales and Jobcentre Plus.



Annex C

Work Based Learning

**Background Paper for
NAW's Education and Lifelong Learning Committee
11 January 2006**



Introduction

- 1 fforwm is the national organisation representing all 25 further education (FE) colleges and institutions in Wales. fforwm works to raise the profile of colleges amongst key decision-makers and supports them in the continuous pursuit of high quality education and training, and stimulating economic development, social well-being and cultural life in Wales.
- 2 In addition to managing approximately 20% to 30% of the funding provided by ELWa through specific Work Based Learning (WBL) contracts, colleges also provide significant additional education and training for employers through ELWa Further Education (FE), and ESF funding. Additionally, many colleges deliver significant aspects of the WBL funding provided for other providers, such as local authorities, private organisations, Sector Skills Councils (SSCs) and voluntary/not-for-profit organisations
- 3 Colleges provide WBL across a very wide range of vocational areas as part of their key role in providing local public sector services to meet the needs of individuals and employers in their communities. At least one third of the members of college governing bodies are drawn from the business community.
- 4 fforwm fully supports the need to continue to improve standards and achievement levels in WBL. More recent inspections of WBL provision at colleges have demonstrated that significant performance improvements are being achieved across the board.

Addressing the Issues - Finding Solutions to Raise Standards

- 5 In order to address the key issues highlighted by Estyn, the FE sector has successfully secured ELWa Common Investment Fund (CIF) support for the following projects as part of a long term commitment to improving standards:
 - 6.1 Engaging with employers to improve colleges' responsiveness to training needs
 - 6.2 Raising standards in WBL delivery
 - 6.3 Self regulation (including but not limited to WBL)
- 6 The main objectives of the WBL project are to:
 - 7.1 Improve the quality of WBL through working collaboratively
 - 7.2 Identify and share good practice and innovative developments.
 - 7.3 Identify poor practice and the reasons for poor performance, and identify and implement ways of eliminating these.
 - 7.4 Encourage the sharing and benchmarking of data against national comparators in WBL across providers.
 - 7.5 Ensure that WBL is firmly embedded within the Governance, Leadership and Management of colleges.
 - 7.6 Establish robust self-assessment practice which improve overall effectiveness and efficiency.

Key Areas for Review and Development

- 7 Over 120 providers currently have WBL contracts, with monetary values ranging from £6,000 to nearly £5m. Efficiency and effectiveness might be improved by rationalising the number of individual contracts issued, thus offering a more

manageable portfolio of contracts for ELW and more scope for smaller providers to work with larger providers with a proven track record in audit requirements and systems. To this end, the introduction of “lead provider” contracts could be considered.

- 8 An analysis of the content of WBL Frameworks (which define the qualifications that have to be achieved) would be helpful to ensure that providers can meet the needs of employers. The SSCs have a key role to play in this.
- 9 WBL programmes, in a similar way to the Welsh Bac, are very demanding in that they require the learner to achieve at least five qualifications for full framework completion and to be deemed a “successful outcome”. There are several reasons for the low attainment rate. The first is the lack of recognition of partial achievement (the NAW has recognised that a similar issue exists for the WBQ); the second is the demands of the National Framework compared to the levels of achievement at point of entry; the third relates to the social status of vocational routes and the lack of parity of esteem between academic and vocational study.
- 10 WBL funding is allocated on an annual basis through a tendering process. Simplification of the tendering process and the potential introduction of 3 year budget allocations would allow all providers to plan and promote opportunities more strategically and effectively, and invest in the resources necessary to improve standards.
- 11 It would be helpful if audit and administrative requirements in WBL were streamlined in order to ensure that WBL delivery focuses on quality provision and positive trainee experiences. This should improve value for money and enhance the performance of providers and the attainment of learners. In this context, it is worth noting that there are significant audit and other administrative demands associated with WBL that do not reconcile with or apply to FE and sixth form funding systems.
- 12 Whilst increased participation in WBL by 16-19 year-olds has been identified as a priority, it is necessary to ensure that WBL is also promoted to other age groups. For this to be achieved, consideration must be given to implementing innovative short to mid-term measures to positively discriminate in favour of WBL.

Conclusion

- 13 fforwm welcomes the opportunity to discuss the above points with members of the ELL Committee. The FE sector looks forward to contributing to the future of WBL and its potential expansion and further development.

THE NATIONAL TRAINING FEDERATION FOR WALES

The National Training Federation for Wales represents some 100 work place learning providers who among them, deliver every post 16 work place learning programmes, covering every level from below entry to level 5, to every corner of Wales.

Its Management Board is composed of two elected representatives from each of the four ELWa regions and the Chair, Company Secretary and Treasurer elected nationally.

NTF Wales' members are significant employers in their own right. However, more importantly they have, collectively, an extensive network of employer contacts covering almost every employment sector.

Members of NTF Wales provide learning opportunities for more than thirty thousand learners.

ELWa is currently preparing a Work based learning improvement plan. NTFW is represented on the Sounding Board considering the draft plan

We should very much welcome the opportunity to make a substantive submission on that plan to the Committee on the future of workbased learning once ELWa's draft plan is in circulation.

We have, therefore confined ourselves, in this briefing note, to identifying a few of the salient features of the current workbased learning programmes.

LEARNING/TRAINING FOR WORK.

Skillbuild, Skillbuild Plus

Skillbuild youth programmes now only serve between 7-9% of the year 11 cohort compared to 40% who stay on in the sixth forms and around a third who enter full time further education.

The majority entering the programme have low or very low basic skills, have been 'turned off formal education' and, often carry other personal and health problems. Much of the work being carried out within the Skillbuild programmes is remedial. The programmes are of 13 week duration with an option to extend for another 13 weeks.

The large majority entering the programmes do so in the hope of getting a job. A recent survey found that a clear majority of participants expressed satisfaction with the programme.

Adults on the programme are primarily referred by Jobcentre Plus personal advisers whose own performance targets are directly related to clients entering employment.

In England this programme has remained with Jobcentre plus.
The programme for Wales has to be focused on employability and employment.

Providers' experience has clearly demonstrated that a job outcome is best achieved by offering key skills, motivational courses and job specific qualifications.

LEARNING AT WORK

Foundation Modern Apprenticeships (FMAs) Modern Apprenticeships (MAs)

NTFW is totally committed to the developments of quality apprenticeship programmes with frameworks 'fit for purpose'. Apprentices are now no longer predominantly school leavers. In 2003 – 04 trainees over 18 comprised over 70% of starts on MA programmes and nearly 50% on the FMA.

NTFW fully shares the concerns expressed about low completion rates. While there is a considerable debate about the reasons for such a failure, we should like to draw attention to some particular aspects of the issue.

First – the very considerable variations in completion rates between occupational sectors for example between Engineering with a MA completion rate of 42% and Retailing 1%. Employers and employees in certain occupational areas attach little value to the current full apprenticeship framework. This raises the question whether such frameworks are fit for purpose.

Secondly, in many cases the employee will have completed several sections within the framework; but such achievements are not recorded or recognised.

Thirdly, one of the most revealing indicators of employer/employee attitudes to completing is the fact that so many non completers remain with the host firm. Over half of early leavers from the MA programmes remain with the same company. The outcome/achievement has been a sustainable job.

Learning in Work

8 out of 10 of the 2010 workforce are already in work. Work based learning programmes need to reach those who are currently in employment but not receiving any training.

Providers played a major role in the success of the Llanelli Worker Project (LWP)
We understand that rolling out that programme nationally is 'unaffordable'

We, however, also understand that the new Workforce Development fund will be one of the vehicles for delivering learning in the workplace. Given the prominence and successful role played by Providers in the Llanelli project we hope that providers will be associated with any initiative in workforce development.

Quality

NTF Wales is totally committed to driving up quality in work based learning. We are already working closely with ELWa and other agencies to promote quality and best practice.

We particularly welcome the recent introduction of the Quality Investment Fund (QIF), which assists providers to address shortcomings identified in Estyn inspections. NTFW has been and remains actively involved in developing Provider Performance reviews. We believe that, through such a review process, continuous improvements will be achievable.

Just recently the NTFW Board was successful in its Quality Investment Fund bid to develop a good practice handbook in Leadership and Management for Work based Learning providers.

NTFW board members have volunteered to participate in the ground breaking benchmarking pilot project.

The 14 – 19 Agenda

NTFW has been, and is actively involved in the development of the 14-19 agenda, particularly through membership of the geographic pathfinders. The membership is very committed to assisting the development of work based learning experience for the 14 plus.

Partnerships

NTFW is actively involved in a whole range of partnerships - in CCETs, Geographic Pathfinders and the various reviews of work based learning.

The NTF Board works particularly closely with ELWa management through a much valued monthly meeting. National and regional operational groups have been set up to resolve practical operational issues. We sincerely hope these extremely useful arrangements will continue after the merger.

Funding

After years of ‘turmoil’ with short term contracts, bewildering and arbitrary changes in funding, a greater degree of stability in the funding arrangements is being achieved. Following the tendering process a more flexible approach to Provider profiling, allowing providers to reflect local and regional demand was introduced last August. Quarterly reviews are undertaken to identify those providers succeeding or failing to perform to their profiles and subsequent adjustments made.

We welcome these arrangements and hope that they will be allowed to continue beyond this funding year so that a proper evaluation of the process can be made.

In the longer term, the challenge will be to accommodate work based learning within the new post 16 common funding system. At present work based learning provision is funded on a very different basis from sixth forms and FE Collages.

Conclusion

As we stated at the outset this brief is an interim one, pending the publication of ELWa's draft improvement plan.

NTFW is fully aware of the role and importance of workbased learning in promoting a prosperous Wales.

It has a vital role to play in achieving that prosperity, through enabling the economically inactive to enter employment and by improving the skills of the present and future Welsh workforce.

We remain, however, deeply concerned about the image and perception of workbased learning. Vocational learning has not enjoyed and still does not enjoy anything like 'parity of esteem' with academic learning.

We have to meet the challenge of changing such perceptions. We have to promote workbased learning as a route for learners of ability, a route which offers the young person the opportunity to learn vital skills, and through such skills enjoy successful, financially rewarding and satisfying employment.