

Off-the-job training: Employers say one size does not fit all. Employers and providers call for a review of arbitrary 20% measure.

1. Summary and recommendations

AELP supports the need for high quality off-the-job training within an apprenticeship. However, we don't agree with an arbitrary 20% off-the-job requirement across all standards and this view is backed by employers of all sizes, private and public sector, including NHS Trusts.

As evidenced in this document, the unintended consequences for employers are clearly significant and these employers have told us the current common approach to 20% off-the-job limits their participation, engagement and appetite to fully embrace apprenticeships. Ramifications are wide ranging from limiting social mobility and hampering the achievement of the 3 million apprenticeship starts to which the current government is committed. We therefore recommend the following:

- a. The employer-led trailblazer groups should have the flexibility to decide what the percentage of off-the-job should be for required for each of their standards and should have the authority to recommend to the IfA and ESFA the percentage which should be delivered as part of an apprentice's working hours.
- b. This change in approach should include reviewing all existing approved standards and form part of the approval process for all new standards currently in development.

The new brief for each trailblazer is that we should go back to the principles embodied in a standard – knowledge, skills and behaviour.

The employers can then set out ways how this might be delivered as long as they include off-the-job training within working hours. In some sectors, such as engineering, a day a week in a workshop might be the only option; in others there might be a variety of routes. The key objective is that an underpinning of knowledge is gained.

The focus should be on good initial assessment of the learner against the standard - and then at the gateway assessed again to make sure all knowledge, skills and behaviour has been covered through whatever approach. Ideally a certificate should be issued for this part of the programme. Following the gateway, the end point assessment should test the synoptic understanding and how well everything is understood to generate a pass, merit or distinction.

2. Introduction: 20% off-the-job an arbitrary unhelpful non-quality measure

AELP totally supports the drive to ensure high quality apprenticeships with proper progress in knowledge, skills and behaviour enabling progression from one level to the next. We just don't believe that the off-the-job element of the programme should necessarily comprise 20% of working hours across all standards. Furthermore, we have the support of a number of high profile employers who share this same viewpoint. This document contains their views and feedback.

Let's be clear, a mandatory 20% doesn't offer any correlation with the quality of the provision actually being delivered; it is simply a blunt broad-brush stick to be used as a compliance measure – in essence a requirement of funding by government. From public platforms in recent weeks, it is clear that Ofsted share our view with its senior officials confirming that they have absolutely no interest in auditing the number of hours being chalked up for this purpose. At the AELP National Conference, Paul Joyce, HMI Deputy Director of Further Education & Skills, reinforced this stating publically that Ofsted were "inspectors not auditors". ESFA audits mean however that employers and providers will still have to keep evidence that the requirement is being met.

3. Employers voice their concerns

We must go back to the employer driven principles behind the reforms. In trailblazer employer groups, there are already credible vehicles which should be given the flexibility and responsibility to define the required level of off-the-job training which is right for apprentices to acquire the skills, knowledge and behaviours for individual standards in each specific sector. Different levels in different sectors need different approaches. In some cases, such as dental nursing, working with a supervisor demonstrating on state of the art machinery and explaining the theory behind is vastly superior to sitting away from the workplace being pummelled with some unrelatable theory.

We need to act quickly on this because employers are already telling their training providers that the rule will limit both their participation and appetite to embrace apprenticeships. Many thousands of organisations now have no option but to pay the levy, but then they see yet further additional cost in losing employees one day a week. We speak to employers who have to backfill positions as cover and even extend contracts to provide additional working hours in which to shoehorn in the 20% training time.

Case Study One: “20% could impact patient care in the NHS” - Lucy Hunte Apprenticeship Lead: Health Education England (NHS) representing the views of the North, Central & East London Trusts. Health Education England, part of the NHS, the largest levy paying employer told us “The 20% rule for existing staff is a huge concern across the NHS as this could impact on patient care with already stretched staffing levels and resources.” Further feedback and views from Health Education England included:

- The 20% rule is a crude measure to manage perceived quality – when did the volume of something ever denote its quality?
- The 20% rule does not take into any account the ability of an apprentice.
- The 20% rule does not take into account the quality of the trainer/tutor/coach etc. (an excellent tutor might be able to get someone to understand something in 10 minutes where an average tutor needs an hour to do so) A candidate spending 20% of their time with a poor quality training provider will likely do far worse than someone studying for 10% of their time with an excellent one.
- The blanket 20% and the requirement to evidence it, is impacting take-up. It detracts from quality to quantity and does not include the support apprentices get in English and Maths/ statutory and mandatory that all help develop the learner and should be included and could add up to an additional 10%.
- If an apprentice spends 20% of their time in off-the-job training and is competent and ready to complete their EPA in 6 months, what do we do with the candidate for the remainder of the time they have on programme?
- The reality is that managers will be less likely to support existing staff undertaking apprenticeship programmes whilst the 20% off the job training is mandatory. The priority has to be quality, not an arbitrary proportion of time allocated to learning.
- There is some error in functional skills time not being included in the off-the-job requirement – this should be part of it where functional skills are required, otherwise it is disadvantaging the apprentice.

Case Study Two: “20% is arbitrary and has no correlation to quality” – Harlene Dandy-Hughes, Education, Training & Development Manager, NHS Foundation Trust London.

Alongside the views from Health Education England, the NHS Foundation Trust London also told us: ‘We recognise that there is a need to set a standard to ensure that unscrupulous training providers and employers do not take advantage of the system. However, across London the NHS Trusts are striving to build on quality award winning apprenticeship programmes and recognise the need to ensure that apprentices are given protected time to complete relevant learning. That said we do feel that the 20% is arbitrary and has no correlation with quality. Given that the Government has moved the focus of developing apprenticeship standards to be employer led we feel setting the off the job requirement should also be employer led.

- As stated above across London the 20% is a concern for NHS Trusts and whilst we are endeavoring to put in place creative responses to meet the 20% requirement that do not rely on just classroom based session, this has/could restrict the expansion of our apprenticeship programmes. We know that managers are not signing up staff or new starters to apprenticeships because of the 20% rule. This is due to financial pressure and the impact on service provision.
- Perhaps the focus should be on agreeing to the 20% as a gold standard rather than as mandatory but let the employer monitor the value and quality of the training of their staff.

Case Study Three: “20% will reduce our recruitment of level 2 apprentices” - Adrian Rowley Learning and Development Manager, Grafton Merchanting

Grafton Merchanting a large levy payer and one of the leading suppliers of building, plumbing and construction materials – told us that the costs of 20% off-the-job when salaries are taken into account and the funding band limit mean that Grafton will reduce recruitment of level 2 customer service apprentices. Some areas of the business simply cannot afford the time off the job required, particularly the smaller trade counters that might only have 3 staff. The 20% barrier against higher level apprenticeships (see why below) will also mean that the employer will find it difficult to persuade young people and their parents that level 2 is only the start of a progression which can lead to line management at level 5. The rule will effectively stop progression. Furthermore, Grafton shared the following views and insights:

- Internal resistance to amount of off-the-job - the plans to use the levy for management apprenticeships for existing employees are being pushed back by board directors in the company. Releasing staff for a day a week is simply not affordable in some cost centres.
- The issue of off-the-job having to be part of contracted hours: Traditionally if an employer has invested in a person’s professional development in for example finance (ACCA qualification) or HR (CIPD qualification), there has been an expectation that the person will in return invest in evening or weekend study in their own time, i.e. out of contracted hours, to achieve the qualification. The employer is still investing via the levy, so why should the expectation be any different for an apprenticeship? Grafton believes that in the private sector such a massive shift in expectations is totally unrealistic.
- Definition of off-the-job needs review - As the apprentice’s competency develops from an early stage of the programme, the company benefits from changes in the employee’s behaviour and increased productivity. So if an apprentice wants to go and try out what they have learnt in the form for example of a team briefing, then the time spent on the team briefing should count towards the off-the-job.

Case Study Four: “20% is putting us off. It has a negative impact on our approach to apprenticeships which before had held some excitement for us” - Lucy Henden Learning and Development Manager, Loungers

A small niche, but growing hospitality business in Bristol told us that right from the start the 20% off-the-job part of the apprenticeship has caused stress and issues. ‘We work in an industry that struggles with recruitment at the best of times and to expect a chef for example, to be away from their work place for the equivalent of a day per week is a genuine stick in the mud. Our prime focus is to be able to run our business effectively by developing our people to be able to achieve this’. Most training in hospitality is as a result of learning on the job, gaining insight, skills and knowledge and behaviours that are directly relevant to the sites that they work in within the brand.

- Our view is that there needs to be flexibility in the approach to some of the specific standards in the framework as well as the 20% off-the-job requirement.
- The level of off-the-job needs to be specific to individual working practices. Having a one size fits all approach decided by people who do not understand how we work instead of the trailblazers does not work.

- Another point that ties in with the above is that we do not believe that that amount of off-the-job training is necessary or constructive. Already we are fumbling around trying to find ways to make it work that will hold benefit for the apprentice and fit with our ways of working. *It feels as though we are being forced in to an awkward corner on how to achieve the number rather than concentrating on providing genuine opportunities for people to learn and upskill.* The focus has to be providing quality training and development in whichever way is appropriate both to the learner and the company, not on panicking over 'how on earth do we provide 20% off job training'.
- *To be blunt, it's putting us off. It has a negative impact on our approach to apprenticeships which before had held some excitement for us.* We are one of the fastest growing hospitality brands and to limit our participation due to a non-negotiable requirement seems to go against what the government is trying to achieve.

The reforms have 'put employers in the driving seat' and the new standards are 'designed by employers for employers'. Levy payers are now funding the programme as well, so employers should arguably have the biggest say on what they can offer to their workforce. We asked a number of learning and development professionals, from across different sectors their views, which were measured and always in support of the need for a level off-the-job training, but all have serious reservations about the blunt instrument of single a single generic 20% measure. When asked about our view whether the trailblazer employer group, tasked with designing programmes for the future workforce, should also determine the level of off-the-job training required, this is what they said:

- **Toni and Guy** who sit on the trailblazer group for hair and beauty told AELP that they think this is a sensible idea, *"especially given that they (the standards) are all so very different."*
- **Le Pain Quotidien**, the restaurant group told AELP that *"they agree entirely"* with the suggested approach of allowing the trailblazer groups to specific their own requirements for off-the-job training.
- **Pret A Manger** the international chain of sandwich shops told AELP: *"we wholeheartedly support the proposal that Trailblazer groups should determine the amount of off-the-job training that should exist. These groups understand the demands and needs of our business and therefore we believe they will be in a position to determine the best percentage that should be delivered. We complete an enormous amount of off job training for all of our employees (not just apprenticeships) and we will of course be doing our very best to achieve this target, but do wonder how sustainable this is for all companies that wish to deliver apprenticeships."*
- **Capita Talent Partnerships** told AELP *"that the 20% rule is too inflexible and should be looked at dependent of the Standard. Clearly, evidencing highly technical off the job training is much easier to achieve. Standard delivery should be about a quality experience that delivers the knowledge, skills and behaviours and a highly successful result for the learner; it is not about one approach or a number."*
- **Albert Goodman**, the large levy paying accountancy firm told AELP that *"the accountancy profession has a track record of investing in training. We do not recruit staff unless they are prepared to study for a relevant qualification. This arbitrary 20% rule is counterproductive and will disrupt a system that is working."*
- **A C Mole & Sons**, an accountancy firm told AELP that *"the accountancy profession has some of the best qualifications and training practices going, established over many years, to deliver people to the market who are well prepared both technically and practically. The fixed 20% off-the-job requirement is both unnecessary and unhelpful."*
- **Corbin and King Restaurant Group** told AELP that the trailblazer groups *"should definitely have more leeway to recommend on this aspect of the Standards"*. Furthermore, they also told us that they believe *"that the term 'off the job' needs to be more flexible; as long as it is broadening and developing knowledge that would not be acquired in the central activities of the role"*. As a responsible employer...*"we pay our apprentices at the same rate as any other employee in the same role – a commis chef apprentice is paid at the same rate as a commis chef. This makes it that much harder to justify the 20% off-the-job to our head chefs."*

- **RATP Dev London** the London bus operator told AELP that they “*liked the idea of employer groups helping define the off-the-job... and agree with having off-the-job-training as part of any learning programme, the benefits of effective, structured learning interventions will allow the learner to grow and explore without concerns of the work environment, so having ‘off-the-job sessions’ involved in the programme is ideal.*”
- **Four Seasons Health Care** told AELP that “*at the very least (there needs to be) be more inclusion of employer groups when deciding upon how the 20% is measured and what constitutes it.*”

Opposition to 20% might be less vehement if the rule wasn't fixed on contracted working hours. All other forms of education where the state is making a financial contribution encourage young people 'to do homework' but apprenticeships appear to be singled out for off-the-job learning to be part of a 35-hour working week. The 20% rule should be immediately reviewed as a universal requirement and reconsidered in relation to each sector's needs.

4. Simply not economically viable to deliver: social mobility and skills shortages

In some sectors, the employment costs and tight margins mean that employers can't afford to cover the cost of unproductive hours along with the other demands of having apprentices. Are we really going to stop an apprenticeship even when the provider, employer, and learner agree an alternative approach which meets with the government inspectorate's approval? Furthermore, what about the fact that it costs the same to have someone teaching the apprentice whether the funding is £2,000 or £9,000 a year. The funding does not support the 20% requirement.

Harlene Dandy-Hughes, Education, Training & Development Manager, **NHS Foundation Trust London** provided a practical worked example on the Health Care Support Worker to demonstrate the lack of economic feasibility of some standard: “*It is clear that training providers are also unable to deliver programmes based on 20% classroom provision, and we are mindful that this will impact on the number of training providers available to deliver the numbers required. As an example the Health Care Support Worker standard has a maximum cap of £3000 of which £300 will be EPA which leaves £2700. We calculated a training day to cost £925 per day, multiply this by 52 (20%) = £48,100 total cost. The usual minimum cohort for apprentices is 10. 10 x £2700 = £27,000 considerably less than £48,100 cost and this is without the cost of assessment and progress reviews. This could result in an adverse impact on the quality of training as training provider attempt to do more for less to meet the 20% target.*”

David Cross, the Head of Technical Training Academy at **Rentokil Initial** the FTSE 100 business services group told AELP that “some job roles meet the requirement easily whereas others have been more difficult and we have had to add training days in; the training is not essential to the role and has an added burden of reducing productivity while the apprentice is on the scheme. Essentially we have to weigh up the cost of reduced productivity against what can be drawn back from the levy and decide if it is going to be cost effective to run the apprenticeship or just accept the levy as a tax. In roles requiring between low to medium levels of skill and knowledge it may prove very difficult to achieve 20% OJT over the designated period of the apprenticeship, creating an adverse view towards becoming an apprentice employer/provider.”

As the recent Taylor review has recognised, the low wage sectors are the ones that often most need skills development, especially in the light of Brexit, and these sectors often contribute most to social mobility. Therefore, we shouldn't be pricing them out of apprenticeships.

Following the AELP membership survey on off-the-job, which saw in excess of 200 responses, we welcomed the DfE's development of further guidance for the sector on how off-the-job can be delivered effectively through a number of different delivery models. This guidance helped allay misconceptions from some parts of the sector, including employers that 'off-the-job' meant physically away from the workplace. The guidance offered this much needed flexibility and clarity to a number of providers and employers. However, this is a guidance document and was developed to offer clarity and compliments the ESFA's performance management and funding rules. The

importance of an agreed, planned and documented at the start of each programme remains critical, both from an audit and a clear sign of commitment by the employer. In gathering the evidence, we identified not only the need for that clarity, but also increased our awareness of the wider concerns of employers that the 20% measure itself is arbitrary and unproductive. These are the views which we have clearly highlighted throughout this document.

5. Legislative requirements: off-the-job required, but not the 20%

From a legislative perspective, the reality is that 20% is an arbitrary ESFA funding rule which can be amended at any time. There is no primary legislation requiring it to be 20% but the law does require some element of off-the-job to be included in either an apprenticeship framework or a standard. The most up to date legal definition of an apprenticeship is in the Apprenticeships, Skills, Children and Learning Act 2009. The aforementioned Act includes the requirements specified by the specification of apprenticeship standards for England must include:

(a) requirements as to English certificate requirements, including requirements as to standards of attainment to be required by them, (b) requirements for a recognised English framework to include, as an English certificate requirement, the requirement that an apprenticeship certificate relating to the framework may be issued to a person only if the person has received both on-the-job training and off-the-job training, “off-the-job training” in relation to a recognised English framework, is training which— (a) is received for the purposes of the skill, trade or occupation to which the framework relates, and (b) is not on-the-job training; “on-the-job training” in relation to a recognised English framework, is training received in the course of carrying on the skill, trade or occupation to which the framework relates”.

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