



Build back better: Improving the apprenticeship system to better support infrastructure

Executive Summary – November 2020
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Introduction

In the UK, the construction industry represents 9% Gross Domestic Product (GDP) and employs 3.1 million people¹ but constantly reports skills shortages, with technical and professional skills in particular demand, which continues to hamper growth².

As we take steps to move forward from the impacts of Covid-19, the UK Government has indicated that it not only plans to increase spending on house building, but also advance its investment in jobs, including infrastructure, through the forthcoming National Infrastructure Plan³.

In February 2020, the Construction Industry Council (CIC) carried out research with employers to understand their need for, experience with, and aspirations, for apprenticeships across the full span of the construction sector, with the aim of presenting a range of recommendations that could be taken forward by stakeholders including the Government itself.

The 'Build back better: Improving the apprenticeship system to better support infrastructure' report was published in October 2020⁴, and we now present a brief summary of its outcomes and recommendations.

1 GOV.UK, Department for Business, Energy & Industrial Strategy (2018) *Industrial Strategy: Construction Sector*, London [online]. Available at: <https://www.gov.uk/government/publications/construction-sector-deal> [accessed 3 August 2020]

2 CITB Research (2019), *Construction Skills Network, Industry Insights: Labour Market Intelligence UK 2019-2023* [online]. Available at: <https://www.citb.co.uk/about-citb/construction-industry-research-reports/construction-skills-network> [accessed 3 August 2020]

3 GOV.UK, Prime Minister's Office, 10 Downing Street (2020) *Build, Build, Build*, London [online]. Available at: <https://www.gov.uk/government/news/pm-build-build-build> [accessed 3 August 2020]

4 CIC, UCEM and TAC (2020) *Build back better: Improving the apprenticeship system to better support infrastructure* [online]. Available at: <https://www.ucem.ac.uk/news-events/latest-publications> [accessed 26 October 2020]

What employers told us

Employers are committed to apprenticeships, whether they are levy payers or not, and are using apprenticeships to attract, develop and retain talent within the sector.

Employers have invested in the development of new apprenticeship standards but remain concerned over several aspects of the apprenticeship system, the availability of appropriate training provision in the right place, and the inflexibility of the apprenticeship levy.

Employers also voiced concern over the challenges they face when linking apprenticeships to established professional standards and the integration of the professional review within the end point assessment for apprentices.

What is clear is the call from employers for a period of stability: there is a need to take stock of what works and can be improved, but this should be done with the evidence base coming from across all four nations of the UK.

The recommendations

In all, eighteen recommendations have been made, but these can be summarised into 4 themes; we now call on Government to work with CIC, employers and the professional bodies to implement these:



Recognise the value of technical and higher-level apprenticeships leading to professional registration

- 1.** Employers must remain in the driving seat of apprenticeship reform, taking the lead in the creation, development, and review of apprenticeship standards, ensuring that are right for business.
- 2.** Apprentices must have their competence assessed and recognised internationally through proactive and promoted routes to highly valued careers complete with professional registration.
- 3.** We must do more collectively to attract and promote talent from within industry to enter the FE sector, providing improved training and upskilling of teachers, lecturers, and work-based assessors.
- 4.** The Government, through IFATE, must do more to work with employers to adjust the arbitrary £27,000 maximum funding cap, to ensure more appropriate funding band allocation to, and support for the development and delivery of, technical and professional apprenticeships, and particularly those that lead to professional registration.



Increase the flexibility of the apprenticeship levy

5. The Government should consider how the apprenticeship levy could be used to support and fund all direct apprentice and employer management costs.
6. For apprenticeships to continue to be valuable and investment worthy, employers must remain engaged in discussions with Government to ensure the appropriateness, and secure the stability, of the apprenticeship levy.
7. The Government, through IFATE, must do more to work with employers to ensure there is greater transparency over the funding decisions made, and to review inappropriate funding bands which stymie the development and delivery of high-quality provision.
8. The Government must reassert the principles of the apprenticeship levy set out by George Osborne: 'you get more out than you put in' and provide transparency to how the apprenticeship levy is used.
9. The Government must not continue to rely on apprentice levy income to fund the apprenticeship system. It must reinstate public funding to support an increase in access to high quality training at all levels.



**Join up and improve
the apprenticeship systems
across the UK**

10. Governments across the nations should convene a working group complete with employers to explore the ways of creating a more joined up UK-wide system that aids apprentice development and recruitment for the better.
11. The Government must explore ways of reducing the burden on employers paying both the apprenticeship and CITB levies, and re-focus CITB training where it is needed most.
12. The Government should consider how it can better resource employers to develop and review apprenticeship standards in a more cost effective and efficient manner.
13. The Government should:
 - Consider streamlining the apprenticeship management systems further by investing in the Digital Apprenticeship Service (DAS) to minimise administration and management of the apprenticeship levy and contracting processes
 - Increase the guidance and support it provides to SMEs to ensure they too can readily access and manage apprentices through an improved DAS system.



Celebrate and promote apprenticeships

14. The Government must celebrate the successes of the apprenticeship system but must also showcase the employers that have invested and created high quality apprenticeships in key sectors.
15. Government should support schools to promote accurate careers advice and apprentice routes alongside full-time education and training.
16. The Government should promote apprenticeships throughout the year, not just focusing on young people, but to promote apprenticeships to those seeking to develop their skills, for those changing industry or those joining the industry at an older age.
17. The Government should review, revise and promote the 'Find an Apprenticeship' portal, increasing its functionality to ease its use for potential apprentice applicants and for employers to routinely place and promote apprentice vacancies.
18. Employers must support the Government by providing case studies and feedback which can support the upselling of apprenticeships within our industry.

In Summary

Employers remain committed to apprenticeships, but for apprenticeships to continue to be valuable and investment worthy, they must remain engaged in the discussions with Government to secure stability and refine apprenticeship funding mechanisms to ensure they are right for apprentices and right for business.

High skill, high tech apprenticeships are needed to boost the technical and professional skills that are needed to grow and implement the Government's National Infrastructure Plan, and we must act quickly to support the development, review and implementation of appropriate apprenticeships, whilst ensuring employers remain in the driving seat of reform.

In developing the National Infrastructure Plan, employers need access to technical and professional apprenticeships that assure confidence, drive forward innovation and productivity, and secure a supportive network of quality training providers who are adequately funded and resourced.



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