

**National Assembly for Wales: Economy, Infrastructure
and Skills Committee**

Degree Apprenticeships

January 2020



Introduction

ColegauCymru welcomes the opportunity to respond to the National Assembly for Wales Economy, Infrastructure and Skills Committee's inquiry into Degree apprenticeships. ColegauCymru is a post-compulsory education charity; we promote the public benefit of post compulsory education and learning. We also convene the further education (FE) Principals' Forum, which represents further education colleges and FE institutions (FEIs) in Wales. ColegauCymru also undertakes research, policy development and provides practical support to FE colleges in Wales.

Colleges deliver higher education courses and degree programmes, in some cases directly via their own Fee and Access Plans and via franchise arrangements with partner universities.

Response to the Consultation

1. ColegauCymru welcomes the plurality of routes into higher level learning which now include Degree apprenticeships. The Further Education sector across Wales has supported the introduction of the Degree apprenticeship initiative. However, given our ongoing interest in matters of equality, diversity, social mobility as well as the need to promote skills development at all levels, our submission raises some areas that we consider in need of further exploration. Responses from individual FEIs as well as HE and FE partnerships have been encouraged by ColegauCymru. The institutions delivering the Degree apprenticeships will address the specific challenges and success encountered in rolling out the limited frameworks. This response examines some of the higher order questions and the strategic context of the roll out of the programme.

Rationale for degree apprenticeships

2. The rationale for Degree apprenticeships needs greater clarification. While similar initiatives operate in England and in Scotland (via the Graduate Apprentices scheme), it is not clear what specific problem they are trying to solve in Wales. Simply increasing the number of graduates does not automatically lead to an increase in the number of graduate level roles as issues of graduate unemployment or underemployment in recent years attest.

3. It is clear from feedback from employers and individual providers that demand for Degree apprenticeships is likely to rise, particularly if the number of frameworks increases. Institutions will be attracted to the prospect of delivering these programmes and government will come under pressure from both supply and demand side for an increase in the volume of these opportunities. Focus will therefore have to be given to an understanding of the need for this provision and not only the demand. Regional Skills Partnerships, subject to the recent review undertaken by the Economy, Infrastructure and Skills Committee, offer one means of addressing this difficult balancing act. Government will also need to be crystal clear on what it is trying to achieve. A better approach to the evolution of Degree apprenticeships would also allow them to meet the needs of SMEs and the wider foundational economy.
4. Feedback from the Further Education sector noted that the approach of Degree apprenticeships seems not dissimilar to 'sandwich degrees': the main difference is that the in-work and education elements take place throughout the year rather than being separated into discrete blocks.
5. The UCAS website information providing advice on Degree apprenticeships in England notes that 'Degree apprentices are likely to have a greater attachment to their employer, and already being employed means they are more likely to stay with that company afterwards. Retention rates for apprentices can exceed 80%'.¹ However, further detail is needed on why the same level of benefit could not be delivered by employers funding part-time courses for staff via existing or expanded part-time degree channels, including via the Open University and indeed Further Education Institutions themselves. Such courses could be developed in conjunction with employers and providers.
6. For larger employers, especially those operating within the English skills system, it is not clear what the significant difference is between a degree apprenticeship and a well-organised, employer-funded staff training/recruitment programme. In England, the National Audit Office warned in 2019 that in the apprenticeship system: "Some levy-paying employers are replacing their professional development programmes – for example, graduate training schemes in accountancy or advanced courses in management – with apprenticeships. In such cases, there is a risk that the additional value of the apprenticeship to the economy may not be proportionate to the amount of government funding (paragraphs 2.27 to 2.30 and Figure 9)."²
7. IPPR warned in 2016 of the potential for employers in England to re-badge existing staff training as apprenticeships, in order to secure government money or 'recoup'

¹ www.ucas.com/alternatives/apprenticeships/apprenticeships-england/what-apprenticeships-are-available/degree-apprenticeships

² www.nao.org.uk/wp-content/uploads/2019/03/The-apprenticeships-programme.pdf, p9.

their apprenticeship levy, meaning there could be little additional training and skills development delivered as a result of the new system.³ Although this was in relation to 'low skills, low pay' occupations, the same potential for existing staff in Wales to gain a degree qualification which does not necessarily add value to the business or improve productivity is a risk factor. Welsh Government should ensure that innovations in skills policy do not simply cause displacement of existing learners or apprentices.

8. The qualitative difference between a Degree apprenticeship that results in a degree and simply studying the degree itself, with periods of good quality work experience, or studying part time for the same degree alongside related employment also needs to be set out in more detail as part of the rationale for Degree apprenticeships. This should also include an assessment of how Degree apprenticeships have impacted on other levels of apprenticeships. We are not aware of any impact assessment that had been carried out prior to the introduction of this programme.
9. In light of the above comments, the Economy, Infrastructure and Skills Committee might like to explore existing or potential Welsh Government plans for review and evaluation of Degree apprenticeships and assess the problems that they are trying to solve.

Widening access and improving diversity

10. Widening access to higher education and improving diversity are important, valuable and laudable aims. Arguably, they have not been fully met in Degree apprenticeships in Wales to date. HEFCW Circular 19/04HE invited HEFCW-funded institutions to submit proposals for funding for Degree Apprenticeships in 2019/20 and includes a focus on groups underrepresented in HE, and the importance of gender and other protected characteristics in recruitment to degree apprenticeships. Likewise both HEFCW Circular W18/13HE (26 June 2018) and W19/04HE (21 March 2019) stated that degree apprenticeships provide opportunities "to improve the diversity of the workforce in ICT/Digital and engineering/advanced manufacturing sectors in Wales".⁴ Data from the HEFCW Degree Apprenticeship briefing of 12 November 2019 show that of 145 degree apprentices, only 30 are female.⁵ The same source shows that where information about ethnicity was collected, 100 per cent of degree apprentices were white (this

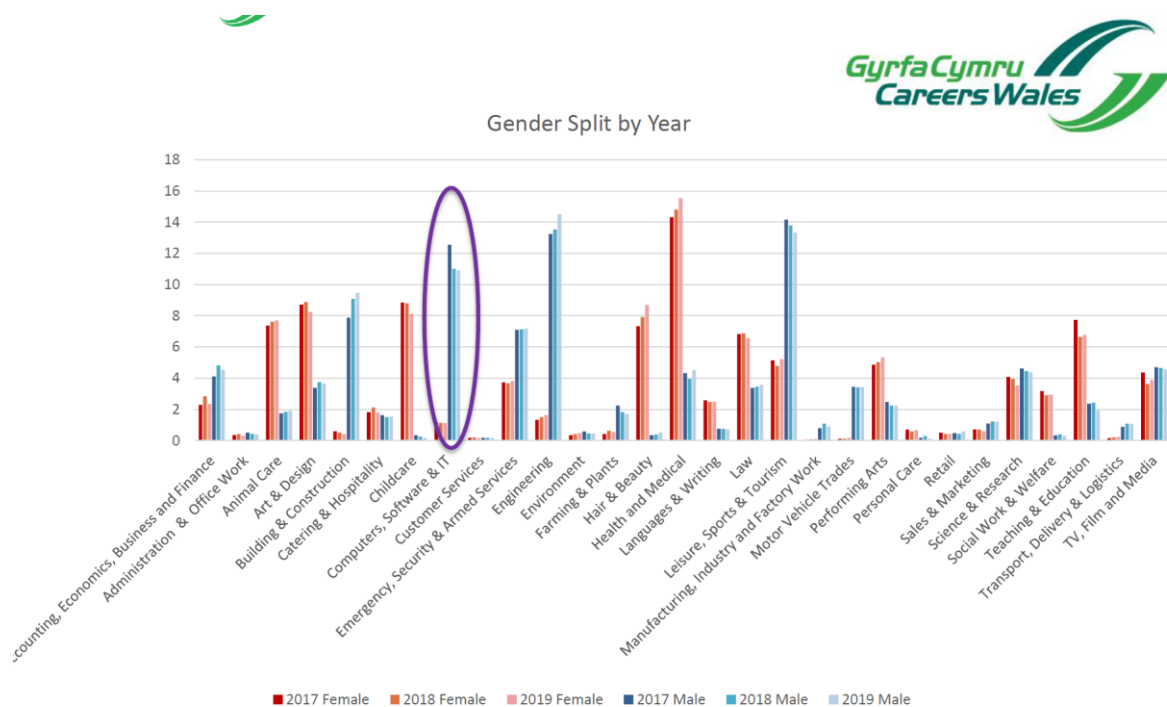
³ www.ippr.org/files/publications/pdf/Englands_apprenticeships_Aug%202016.pdf , p24.

⁴ www.hefcw.ac.uk/documents/publications/circulars/circulars_2018/W18%2013HE%20Degree%20Apprenticeships%20in%20Wales.pdf ; www.hefcw.ac.uk/documents/publications/circulars/circulars_2019/W19%2004HE%20Degree%20Apprenticeships%20in%20Wales%20and%20Proposals%20for%20Funding%202019_20.pdf p1.

⁵ HEFCW, *Degree Apprenticeship Briefing*, 12 November 2019 (unavailable online).

information was not collected for 65 apprentices). Only five apprentices out of 145, declared a disability.

11. The sectors chosen by the Welsh Government for the development of Degree apprenticeships – Digital and Engineering and Advanced Manufacturing (Wales) framework – are traditionally male-dominated and do not attract a high proportion of women. It is not clear why the areas of Digital and Engineering and Advanced Manufacturing exclusively were chosen by the Welsh Government when skills gaps are also apparent in more female-dominated professions such as health and social care and teaching. It would be useful to see any initial background analysis that was undertaken to identify these areas and the reasons for choosing them. The EIS Committee might like to request this.
12. Neither is it clear what, if any, specific initiatives were undertaken to try to achieve any element of gender balance. If any such initiatives were undertaken, they have not worked well. Surveys of occupational choice undertaken by Careers Wales, broken down by gender, show that in 2017, 2018 and 2019, the proportions of boys identifying their first choice career as involving Computers, software and ICT; Engineering; or Manufacturing are significantly higher than girls.⁶ That only 30 of 145 degree apprentices are female is unsurprising in these circumstances.



⁶ Careers Wales presentation at Workshop 9, NTFW annual conference 2019, available at: www.ntfw.org/wp-content/uploads/2019/06/Workshop-9-Careers-Wales.pdf

13. ColegauCymru appreciates the impact the opportunity to study and achieve a degree can have on many individuals and understands that the testimony of individual Degree apprentices can be compelling. However, there are many examples of the positive impact that achieving a degree, or simply returning to learning or study (for example via Open University routes or instances set out in the annual Learning and Work Institute Wales Inspire Awards), can have on individuals. It is important that public policy in any genre is not based on emotive case studies.
14. There is evidence that there are advantages to learners and students who may be attracted by the prospect of a degree without the accompanying debt. The NUS 'Pound in Your Pocket' Wales 2014 study found that '[t]here are clear associations between financial support policy and practice, student wellbeing, socio-economic background and retention'.⁷ However, more detailed information is needed about those who have taken up Degree apprenticeship opportunities and the extent to which such apprentices might be from relatively affluent households, as opposed to widening access to degree level employment and training opportunities to those from more disadvantaged backgrounds. While opinions differ about whether such a principle was correct, the action of individuals directly contributing to degree level study was established in 1998. Degree apprenticeships, at present, do not require either the student or the employer to directly contribute financially which may impact their sustainability.
15. Data from the HEFCW Degree Apprenticeship briefing of 12 November 2019 show only 20 Degree apprentices were new employees. Again, concerns from the National Audit Office in England may be relevant when in relation to the English apprenticeship system in general, NAO noted "There are risks that the programme is subsidising training that would have happened without government funding, and the Department has not set out clearly how it measures the impact of the programme on productivity."⁸ The Welsh Government should take the relevant aspects of the NAO report into account, including improvements to productivity.
16. In response to the extent to which widening access activity should feature in Degree apprenticeship recruitment, feedback from the Further Education sector was that this should take place in the same way that the work-based learning (WBL) provider network is encouraged and mandated to ensure representative cohorts at all other levels of apprenticeship. Work is already taking place within the WBL network through initiatives such as Equality and Diversity and Welsh Language champions. It would be timely to review the impact of this work and to develop an effective future plan as to how equality, diversity, Welsh language and

⁷ www.nus.org.uk/PageFiles/12238/NUS_poundinyourpocketWales_report-English.pdf, p14.

⁸ www.nao.org.uk/wp-content/uploads/2019/03/The-apprenticeships-programme.pdf, p11.

other issues can best be supported across the full range of apprenticeship providers, including Degree apprenticeships.

17. Likewise, it would be useful for the Welsh Government to consider the socio-economic background and social mobility issues across the full range of apprenticeship provision in order to help assess whether initiatives are truly having the impact we wish to see.

Process

18. There is no satisfactory explanation for the difference between the process for approving Degree apprenticeship providers from Higher Education providers and the process for contracting other apprenticeship provision from Further Education Institutions and private training providers. Non-degree apprenticeships have to go through a protracted procurement process that impacts on both providers and potentially learners. This is not the same with Degree apprenticeships. The process of applying for Degree apprenticeships is completely different – there is no procurement, only expressions of interest (EOI). Likewise, there appears to be greater rigour applied to work-based learning apprenticeship providers than on Higher Education Degree apprenticeship providers.
19. A particular issue which needs to be explored in this context, is the feedback from individual FE institutions and their experience of working with a range of universities. In our discussions with colleges we have identified varying approaches taken by HEIs. In some instances, we can identify effective collaboration which brings about innovation and positive benefit for apprentices and employers as well as the providers. In other cases, we have evidence that universities have either ignored the need for collaboration or have chosen to deny the opportunity for joint working with FEIs. This has potentially constrained the outcomes achieved and limited the impact of the programme. We do not believe that this was the desired outcome of either Welsh Government or HEFCW. The need for collaboration between institutions will be a feature of future governance of post compulsory education and the committee might be minded to consider how lessons learned from the Degree apprenticeships pilot can inform their scrutiny of future legislation.
20. Feedback from an FEI that partnered with an HEI noted that the university found the process unsatisfactory in that it was truncated, with very little communication from the Welsh Government throughout and that there were long delays in proposals being considered and approved. This left very little time for effective development of new delivery models, marketing and recruitment. In the case of the Engineering framework, proposals were only approved a matter of weeks before commencement of programmes.

21. The process of approving apprenticeship providers should be rigorous, fair and equitable, regardless of the level of apprenticeship being delivered. The EIS Committee might like to consider whether there are any positive lessons that can be taken from the process and criteria for approving proposals from providers to deliver Degree apprenticeships.

Issues arising from introduction of Degree apprenticeships

22. Anecdotal feedback from the Further Education sector suggests that at least some people who would have been on relevant higher apprenticeships have this year been channelled directly into degree routes and taken out of the Further Education work-based learning system. Again, anecdotally, there appears to have been a shift from higher apprenticeships to Degree apprenticeships.
23. The commissioning of HEFCW to deliver Degree apprenticeships has inadvertently created a splintered network of apprenticeship providers, with the previously existing network of apprenticeship providers now delivering up to level 5 and HEIs delivering Degree apprenticeships. Whilst some HEIs have actively sought to engage with the existing WBL provider network to support the delivery of Degree apprenticeships, feedback from the Further Education sector reports that this has not been consistent. This leaves questions over how Degree apprenticeships contribute to the consistency of a genuinely work-based learning approach to their delivery, corresponding appropriately with the apprenticeship brand.
24. The specification and requirements for reviewing and tracking progress of Degree apprenticeships seem less rigorous than for apprenticeships at all other levels. There are questions over how the Welsh Government will ensure the work-based nature of programmes and avoid the simple re-badging of existing part-time degree programmes as Degree apprenticeships. Clarity is also sought over who will be the inspectorate for Degree Apprenticeships: Estyn, QAA, or another route following the proposed PCET and CETR reforms. The EIS Committee should consider exploring the issue of quality assurance systems in more depth.

Demand and demand management for Degree apprenticeships

25. The introduction of Degree apprenticeships has the potential to be a positive step for the apprenticeship programme in Wales, in terms of the ongoing search for parity with academic career choices in the eyes of our young people and crucially,

their parents. This could increase demand for apprenticeship places at all levels where there is a pathway to a degree via the apprenticeship route. Similarly, employers who have historically funded or subsidised degree programmes for their staff, will see the introduction of degree apprenticeships as a positive step, helping them reduce costs whilst also potentially being able to attract a wider talent pool into their apprenticeship schemes.

26. However, data from the HEFCW Degree apprenticeship briefing of 12 November 2019 show only 20 Degree apprentices were new employees so the vast majority of Degree apprentices are existing employees. Likewise, the ability to access funded degree level training via a Degree apprenticeship, while attractive to employers, risks undermining the principle of employers contributing to training. There is also the issue that degree routes become an automatic target for all when a higher level (4 or 5) apprenticeship might be more appropriate. Estyn's 2018 research into Higher Apprenticeships in Work-Based Learning noted that although in recent years, the rates at which learners successfully complete their higher apprenticeship qualification have improved, they are still low in comparison to apprenticeships at lower levels.⁹ The EIS Committee could ask about how the issue of successful completion, the process and likelihood of learners leaving Degree apprenticeship programmes, and the ability to flexibly move in and out of such programmes has been addressed.
27. Increased awareness and demand for Degree apprenticeships has also generated interest from those interested in careers where there are currently no plans for degree apprenticeships, and also employers (particularly levy-paying employers) in those sectors who have seen a plethora of degree apprenticeship standards become available to them in England. Any further rollout of Degree apprenticeships in other sectors must be managed very carefully to ensure a focus on sectors with an identified need, consistent with Regional Skills Plans and intelligence about future labour demand in the face of the challenges and opportunities offered by automation. Simply increasing the range of Degree apprenticeships to mirror policy developed elsewhere in the UK is not an acceptable policy position.
28. In session with the National Assembly's Children, Young People and Education Committee on 8 January 2020, Education Minister, Kirsty Williams, stated that thinking was now moving to expanding Degree apprenticeships into professions allied to health.¹⁰ While this is understandable, given workforce shortages in numerous areas of health and social care, the impact of degree apprenticeships should be evaluated before expanding them into new areas. ColegauCymru understands the desire to create routes to higher, including graduate level, study in apprenticeship areas where this is currently not the case. Progression is

⁹ www.estyn.gov.wales/sites/www.estyn.gov.wales/files/documents/Higher%20apprenticeships%20in%20work-based%20learning%20-%20en.pdf

¹⁰ record.assembly.wales/Committee/5913

important for learners and employers but a coordinated rather than piecemeal approach is necessary.

29. It is also understandable that Degree apprenticeships are attractive to both employers and potential apprentices, offering the chance for a funded degree alongside employment. However, in a challenging financial climate, we need to consider whether this is the best use of available funds. Following the implementation of the Diamond Review, in Wales, part-time students can apply for maintenance grants to help with living costs that do not need to be repaid. The Open University, has received a 46% increase in new students in the first year of the new financial support alone, suggesting that there is an appetite for this model of learning which is compatible with employment.¹¹ Universities and colleges have a positive track record of responding to employer need and developing innovative solutions, not all of which require additional funding.

Funding

30. HEFCW Circular W19/04HE (21 March 2019) noted that funding for Degree apprenticeships from 2018/19 to 2020/21 will be up to £20m and allocated to Degree apprenticeship providers via HEFCW.¹² The HEFCW Degree Apprenticeship briefing of 12 November 2019 suggests that available funding for 2019/20 will be fully committed.

31. There are issues over the sustainability of Degree apprenticeships, especially if they are expanded into additional areas, when there is no direct financial contribution expected from the individual or the employer. There needs to be a method for establishing and measuring productivity gains in order to assess the impact they have, and whether this is different to that of pursuing other methods of obtaining a degree (via Open University, part time routes whether at Further or Higher Education Institutions). Degree apprenticeships should not compromise the funding of other levels of apprenticeship provision. Lessons from other European regions suggest that the acquisition of skills at all levels, developed consistently over a long period of time, are important in building economic resilience and the ability to withstand and adjust to economic shocks.¹³ ColegauCymru remains concerned about the future funding of work-based learning at all levels.

32. It is not yet clear how accreditation of prior learning will be considered, measured and monitored, ensuring pro-rata funding for those learners that have already

¹¹ www.open.ac.uk/wales/en/news/over-60-adults-wales-have-unfulfilled-dreams—only-19-are-chasing-them, 10 January 2020.

¹²

www.hefcw.ac.uk/documents/publications/circulars/circulars_2019/W19%2004HE%20Degree%20Apprenticeships%20in%20Wales%20and%20Proposals%20for%20Funding%202019_20.pdf

¹³ www.collegeswales.ac.uk/uploads/img/2019/Publications/Building%20a%20Better%20Wales%20-%20Lessons%20from%20Europe.pdf

completed elements of a Degree apprenticeship through, for example, an apprenticeship at Level 4 or 5.

33. ColegauCymru seeks clarity on the funding model and budgets on which Degree apprenticeships have been established. This is an area that the EIS Committee could explore further.

Impact of Degree Apprenticeship pilot

34. As noted above, anecdotal feedback from the Further Education sector suggests that some of those who would have undertaken Higher apprenticeships are instead on degree routes. Some Further Education Institutions report already seeing arbitrary competition between the network of Degree apprenticeship providers (HEIs) and the WBL network where the emergence of Degree apprenticeships risk duplicating and competing with existing Higher apprenticeship programmes. For example, many WBL providers have existing Higher apprenticeship programmes that encompass HNC/HND at Levels 4 or 5. In their first year, most Degree apprenticeship programmes mirror what a higher apprentice would study at HNC/HND level. That means there are now two networks of apprenticeship providers competing with each other for learners at Level 4 and 5.
35. There need to be much better links between Higher level apprenticeships and Degree apprenticeships. This would have the advantage of reducing competition and ensuring successful completion rates of Higher and Degree apprenticeships. The latter is particularly pertinent given the research on Higher level apprenticeships published by Estyn and referenced above, and is something the EIS Committee could examine further.
36. Likewise, some FEIs have already seen employers place learners straight onto Degree apprenticeship where they would have historically progressed through the Higher apprenticeships programme. This not only creates a concern from a quality perspective, with the specification for Degree apprenticeship being looser than Higher apprenticeships, but also offers no natural exit point at Level 4 or 5 on the Degree Apprenticeship programme for those learners that may not make their way to the full degree.
37. Our understanding is that where someone exits a degree apprenticeship without achieving a level 6 qualification, they will receive an equivalent Higher Education qualification, rather than a Higher apprenticeship. There is a danger that Higher

apprenticeships in some sectors will be “squeezed out” of the market by Degree apprenticeships that simply duplicate them in years 1 and 2, with no mandated competence qualification i.e. NVQ 4 or 5. There are around 65 ‘current’ Higher level apprenticeship frameworks (which include the degree apprenticeships), many of which offer Level 4 qualification only.¹⁴ The EIS Committee might wish to ask specifically about progression as well as the issue of qualifications and competence at exit points from Degree apprenticeships in order to ensure that the system is resilient.

Suggested amendments to existing approach

38. Degree apprenticeships should be commissioned and managed through one network of WBL providers, ensuring a consistent specification for providers at all levels of apprenticeship. This will require closer collaboration between HEIs and providers at other levels to ensure pathways are transparent and arbitrary competition is removed. Such an approach is commensurate with the proposed PCET approach and the CETR body which seeks to bring post compulsory education closer together. Degree apprenticeships should follow the same rigour and scrutiny that apprenticeships at all other levels have met, via the high quality, experienced WBL provider network.
39. As Estyn already inspect WBL provision up to Level 5 and have a track record of inspecting the quality of apprenticeship provision, consideration should be given as to their role or the support they could provide in inspecting the quality of apprenticeship provision at all levels.

Welsh language impact and issues

40. Data on Degree apprenticeships to date suggests there is more that could be done to increase the number of Welsh speaking Degree apprentices, and encourage further provision through the medium of Welsh. This must be taken into account in any evaluation of the existing Degree apprenticeship programme and be a key consideration in any expansion into new areas, especially healthcare.

Conclusion

41. ColegauCymru has concerns about whether the currently available evidence on Degree apprenticeships shows that they are meeting their original policy

¹⁴ www.acwcerts.co.uk/web/frameworks-library

objectives. This may be partly attributable to the lack of consultation during the development phase.

42. Degree apprenticeships need to be designed as a continuum, offering development opportunities. The existing Higher level apprenticeship frameworks are an important starting point.

43. In future, Degree apprenticeships must deliver better against wider policy objectives, including Welsh language, equality and diversity, and socio-economic status.

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