



Cynulliad Cenedlaethol Cymru **The National Assembly for Wales**

Y Pwyllgor Menter a Busnes **The Enterprise and Business Committee**

Dydd Iau, 24 Mai 2012
Thursday, 24 May 2012

Cynnwys **Contents**

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

Ymchwiliad i Brentisiaethau yng Nghymru—Sesiwn Dystiolaeth
Inquiry into Apprenticeships in Wales—Evidence Session

Ymchwiliad i Brentisiaethau yng Nghymru—Sesiwn Dystiolaeth
Inquiry into Apprenticeships in Wales—Evidence Session

Ymchwiliad i Brentisiaethau yng Nghymru—Sesiwn Dystiolaeth
Inquiry into Apprenticeships in Wales—Evidence Session

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol **Committee members in attendance**

Byron Davies

Ceidwadwyr Cymreig
Welsh Conservatives

Keith Davies	Llafur Labour
Julie James	Llafur Labour
Alun Ffred Jones	Plaid Cymru The Party of Wales
Eluned Parrott	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Nick Ramsay	Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor) Welsh Conservatives (Committee Chair)
David Rees	Llafur Labour
Kenneth Skates	Llafur Labour
Joyce Watson	Llafur Labour

Eraill yn bresennol
Others in attendance

Aled Davies	Rheolwr Cymru, Sgiliau Ynni a Chyfleustodau Energy and Utility Skills' Wales Manager
Iestyn Davies	Pennaeth Materion Allanol, Ffederasiwn Busnesau Bach Cymru Head of External Affairs, Federation of Small Businesses Wales
Jacky Drysdale	Rheolwr Cyflenwad Dysgu Addysg Bellach, Cyngor Gofal Cymru Further Education Learning Supply Manager, Care Council for Wales
Roberta Hayes	Cyfarwyddwr Dysgu a Datblygu, Cyngor Gofal Cymru Director of Learning and Development, Care Council for Wales
Joshua Miles	Cynghorydd Polisi, Ffederasiwn Busnesau Bach Cymru Policy Adviser, Federation of Small Businesses Wales
Trina Neilson	Prif Weithredwr, Gyrfa Cymru Chief Executive, Careers Wales
Shirley Rogers	Regional Director, Careers Wales Cyfarwyddwr Rhanbarthol, Gyrfa Cymru
Peter Sishton	Rheolwr Cymru, e-skills UK Manager for Wales, e-skills UK
Mel Welch	Rheolwr Llwybrau, e-skills UK Pathways Manager, e-skills UK
Helen White	Rheolwr Prentisiaethau, Sgiliau Ynni a Chyfleustodau (Cymru) Apprenticeship Manager, Energy and Utility Skills (Cymru)

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Kayleigh Driscoll	Dirprwy Glerc Deputy Clerk
Siân Phipps	Clerc Clerk
Anne Thomas	Y Gwasanaeth Ymchwil The Research Service

*Dechreuodd y cyfarfod am 9.30 a.m.
The meeting began at 9.30 a.m.*

**Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions**

[1] **Nick Ramsay:** I welcome witnesses, Members and any members of the public to today's meeting of the Enterprise and Business Committee. This meeting is bilingual and headphones can be used for simultaneous translation from Welsh to English on channel 1, or amplification on channel 0. The meeting is being broadcast and a transcript will be available. I remind Members and witnesses to turn off their mobile phones and other electronic equipment, and that there is no need to touch the microphones—they should operate automatically. In the event of a fire alarm, please follow the directions of the ushers.

[2] We have one apology today, from Dafydd Elis-Thomas, and no substitutions.

**Ymchwiliad i Brentisiaethau yng Nghymru—Sesiwn Dystiolaeth
Inquiry into Apprenticeships in Wales—Evidence Session**

[3] **Nick Ramsay:** We are continuing today with our inquiry into apprenticeships in Wales. I welcome our witnesses to the meeting from Careers Wales. Would you like to introduce yourselves?

[4] **Ms Neilson:** I am Trina Neilson, chief executive of Careers Wales. My colleague is Shirley Rogers, regional director for Careers Wales south central, which was previously the Mid Glamorgan-Powys area.

[5] **Nick Ramsay:** We have a number of questions for you, so I propose that, rather than having any opening statements, we go straight into those. We have a fair number of question areas, so if at any point I move you on, it is not because I am not hearing what you are saying, but because we want to get through as many areas as possible. The first question is from Byron Davies.

[6] **Byron Davies:** I was quite interested to read that the Welsh Government's statistics show that over half of apprentices, 54%, are 25 years of age and over. There is a new priority to focus apprenticeships on 16 to 24-year-olds, so how will you manage that?

[7] **Ms Neilson:** I accept your point about being surprised—I think that many people are surprised, particularly parents and teachers. In fact, employers are surprised as well. The issue is that very many of the apprentices that we have in Wales have become apprentices because of the training becoming available and the employers have, in effect, taken existing employees and provided training for them. They then become apprentices. The training programme is matching the apprenticeship training requirements. The public perception of an apprentice is something very different. The evidence is quite clear that most apprentices are actually older people, but the perception is of a 16-year-old school leaver doing some kind of training, probably for somewhere between two and four years, and that is no longer the case.

[8] **Byron Davies:** One other issue is gender stereotyping. We were told last week by witnesses from a very large company here in Wales that its new-entry apprentices were still predominantly white, male and approximately 19 years of age. How do we change that?

[9] **Ms Neilson:** The gender stereotyping issue affects many more people in respect of

employment and access to employment than just apprentices. It is all about changing the perception of young people, and I am sure that you will be familiar with the idea that we need to start when they are three or four years of age. The perception of apprenticeships, as I have indicated, is that they are for young people. Another common perception is that apprenticeships are only about technical or engineering types of activity and, again, that is completely untrue. However, there is no doubt that, in terms of changing or influencing young people, broadening their understanding and, hopefully, encouraging their aspirations towards the non-traditional areas, whether it is boys into traditional female-type operations, or the opposite for girls, we really need to be active, and we need to do that much younger than we currently are.

[10] **Byron Davies:** That is what I am interested in. What are you going to do about it?

[11] **Ms Neilson:** As far as Careers Wales is concerned, unfortunately, we have had to pull back from some of the work that we previously did in primary schools, because of budget cuts. That was with our education business links strand of activity, where we were working on the science, technology, engineering and mathematics agenda and doing all sorts of activities in relation to teachers in primary schools, although not delivering services directly to young people. That included organising events and working with other sorts of organisations that are keen to promote and encourage young people to look at the full range of opportunities. As Careers Wales, we are limiting the work that we are doing in the junior school sector. We are still working very strongly on the STEM agenda, but with regard to this issue of stereotyping, my own view would be that the most effective activities are likely to be those that take place with young people at a very early age, rather than, for example, an event for 14-year-olds designed to promote girls into engineering, or whatever. We are doing these activities, and we are running girls into engineering, and so on. However, if one really wants to fundamentally change our society, one has to look for initiatives at a much earlier age.

[12] **Ms Rogers:** With apprenticeships, you have to look at the wide range of apprenticeships that are on offer. Perhaps in the more traditional roles, you will find that the gender stereotyping is still there, but in the less traditional roles, such as administration, hairdressing, and so on, there is a much better balance. So, it is about how you define an apprenticeship, which I am sure we will go on to discuss.

[13] **Byron Davies:** It is a big challenge, is it not?

[14] **Ms Rogers:** Yes.

[15] **Ms Neilson:** Yes, very much so.

[16] **David Rees:** Good morning. I would like to take you back to the question of age profiles for a second. I have two questions. First, on the sheet that you have handed out—and thank you for that—you indicate that the apprentices are 16 and above to a maximum age. What do you consider to be the maximum age?

[17] **Ms Neilson:** Well, we would not have any idea about a maximum age. Generally speaking, I think that that is much more likely to come from the employer in terms of their perception and what they want. Careers Wales deals with job vacancies, including apprenticeships for all ages, therefore the apprenticeship matching service would not have on the website a maximum age as such. However, in terms of the activity that we engage with on jobs, as far as Careers Wales is concerned, we generally deal with jobs for 16 to 18-year-olds. So, we are unlikely to be faced with the decision regarding whether there is a maximum age.

[18] **David Rees:** I will ask my second question. You mentioned the change in profile of apprentices from school leavers, as I would have been used to, to older people. Is that because

employers are now looking to employ people in the first instance to see whether they want to take them on and then develop an apprenticeship? Has there been a change in employers' attitudes?

[19] **Ms Neilson:** I think that there has been a change in employers' attitudes and I think that this has happened for a number of reasons. To be brutally honest, the cost of employing an apprentice is related to the wages for an employer. Young people are cheaper to employ. This is a good thing, but young people may come with insufficient skills and may not necessarily have the attitude that the employer is looking for, so that tends to be the negative factor. Employers, particularly small and medium-sized enterprises, are looking to get the best value for money, which I think helps to support the argument that an existing employee who is willing to be trained is, from an employer's point of view, a lower risk in relation to training and encouraging that person to go through the apprenticeship training scheme. So, I do not think that it is about barriers, as such, but we have to be realistic and understand that employers need to use their resources in the best possible way and that that sometimes skews the market.

[20] **David Rees:** Do you think that that will have an impact upon encouraging young people, at the age of 16, to go into apprenticeships, in that case?

[21] **Ms Neilson:** Yes, very much so. In a sense, that comes back to the point that we made earlier about the perception of what an apprenticeship is—on the part of the public and particularly parents, young people and teachers—compared with the reality. From that point of view, Careers Wales and the Assembly, along with employers and others, ought to be thinking about the messages that we would like to convey about apprenticeships. Do we need to rebalance the message so that it is more accurate? Do we need to try to promote the idea that an apprenticeship is for all? I am not trying to be critical, because that message is out there, but perhaps it is not sufficiently clear or the emphasis has not been given to ensure that we are tackling the perception, at least, that it is about young people and is technical and that it will be a case of 'Here is a left-handed hammer', because that perception is still around.

[22] **Nick Ramsay:** I want to bring in Keith Davies at this point with a supplementary question.

[23] **Keith Davies:** I would like to ask a question on gender stereotyping. A week or so ago, we had the young engineer of Britain here, who is a female student from a school in Cardiff. So, there are examples there. Should we not be using that young person's experience?

[24] **Ms Neilson:** That is precisely what those of us involved in education business activity, particularly around the STEM agenda, are doing. That is something that we would be very keen to support. There are many good examples and, to be fair, sometimes these young people are very happy to be involved in promoting those activities. Indeed, I was with an employer in Newport a few weeks ago with a group of teachers from local Newport schools, and the apprentice who was talking to us, who was one of the most highly skilled people in the workforce, was a young lady wearing jeans and red and white spotted stilettos who had a delightful personality and had everyone wowed. There is no reason why women doing traditional men's jobs need to be so characteristically interesting, but, undoubtedly, the point is this: we need to use all of these role models. Sending that young girl into, say, a primary school to talk to the teachers and young people is precisely the sort of activity we are keen to promote. Sometimes, there is a sense of weariness about that because the results are not going to come overnight. It is going to take some time, but it is about plugging it and getting on with it to ensure that there is as much activity as possible to promote it.

[25] **Joyce Watson:** With regard to people doing basic apprenticeships that start, say, in college—and I am thinking of a couple of women I know who have done that in plumbing—

in order to complete it, they require a placement with an employer. They are finding that very difficult. There are two parts to this. There is an issue with potential future employers that would not consider females. There seems to be a barrier—I know of two cases—where the employer is immediately thinking that they would naturally gravitate towards a male when offering that on-the-job experience, even if—

[26] **Nick Ramsay:** Joyce, are you building up to a question?

[27] **Joyce Watson:** Well, that is the question. How do we overcome that perception? It is one thing overcoming the perceptions on one side, but we have got to deal with both sides.

[28] **Ms Neilson:** Absolutely. Again, I would say that it is about breaking down the barriers bit by bit and using the professional organisations and training organisations to encourage those employers who are looking for apprentices to open their minds to the opportunities. Now that we have training in colleges—we have Pathways to Apprenticeships as a course in college—it seems that this is an ideal opportunity, first with regard to recruitment, but secondly with regard to the colleges pushing local employers to come in to meet potential apprentices and to see them in that training environment. Again, having been in Coleg Gwent on the construction site on many occasions, I can say that they are doing that. Bit by bit, it is about finding employers who are willing to make that change and to keep pushing the boundaries because, gradually, it will happen. However, it is a long haul.

[29] **Ms Rogers:** I also think that there is a great deal of work to be done with parents in particular. Many employers are parents and many parents do not understand the apprenticeship system and consider it as the old traditional trade route. It is not like that any more, so we have a big job to do there.

[30] **Julie James:** On that point about a lot of work being done in colleges, I have had many discussions with local colleges in my area recently and their view is that, by the time they get people at the age of 16, it is largely too late to influence them. There has been a bit of an effort to talk to 14-year-olds. My question is not specifically on the gender stereotyping, the challenging of which needs to happen much earlier, but about this pathways point so that, at the point when you decide which GCSEs you are going to do and so on, you consider what you might need to get on to one of the apprenticeships that also leads to higher education and so on. Have you had much experience of that sort of approach, because that seems to be a developing theme?

[31] **Ms Neilson:** Traditionally, Careers Wales advisers have supported young people, usually in group sessions, at year 9 at the point at which they are considering their options for year 10. Of course, with 14-19 options and the opening up of options so that all young people have access to a vocational option, this work has been encouraging young people to ensure that they consider the choice of vocational options so that it is not about vocational options being only for those young people who are not going to achieve high-level qualifications. Again, Careers Wales tries to be very active here. Again, with cutbacks, this is the sort of thing we are starting to pull back from. Traditionally, it has been mainly group work with some specialist one-to-one advice for youngsters in year 9, usually where they are identified as a young person with a particular problem by the school or through parents' evenings, which are incredibly popular at year 9 because parents are clearly very interested in understanding the complexities of the vocational environment at that stage. It encourages parents to understand that the way in which vocational qualifications are now configured does mean that young people, at the age of 16, having followed a vocational pathway, can reach a stage where they can have a qualification, but they do not need to necessarily consider staying on in that route and can change at that point if they choose not to. This is a huge communication exercise and very much about trying to encourage parents to understand the complexities. We do have parents—

9.45 a.m.

[32] **Nick Ramsay:** You have answered that fully. Eluned Parrott has a supplementary question.

[33] **Eluned Parrott:** Thank you, Chair. You have talked about Pathways to Apprenticeships and the fact that there are various levels of apprenticeships. Apprenticeships are very different to what they might have been a generation ago, for example. Do you think that this is adding to a sense of confusion and that it is creating a problem in terms of the promotion and proper understanding of apprenticeships among not just parents and teachers, but young people?

[34] **Ms Neilson:** Yes, I do. At the start of the meeting, I handed the clerk a hand-out, which looks like the one I am holding and which you may have. We produced this because, in preparation for today, my colleague and I met with one of our careers advisers who spends most of her time working on apprenticeships and working with employers, training providers and young people and using the website and the apprenticeship matching service. We said to her, 'Tell us about apprenticeships as succinctly as you can; what do we need to know as we are coming to meet the committee?'. She produced the hand-out, which you can see is very complex. At one level, it looks fairly straightforward because it has nice straight boxes and so on, but the hand-out talks about the Young Recruits programme, which is additional funding; the Pathways to Apprenticeships, which is the 12-month college course; we have the information that employers need; and we have tried to describe what an apprenticeship is and the way in which the learning provider and the college work. You are absolutely right—with the best will in the world, unfortunately, we have a very complex system that many people do not fully understand when it comes to how it works and how to access it. The results undoubtedly are very good and positive, but my own view would be that we need to simplify this.

[35] **Ms Rogers:** That means simplifying from the employers' point of view and from a young person's point of view.

[36] **Alun Ffred Jones:** Rwyf eisiau canolbwyntio ar recriwtio. Yn gyntaf, a oes mwy neu lai o brentisiaid wedi bod yng Nghymru dros y blynyddoedd diwethaf? **Alun Ffred Jones:** I want to concentrate on recruitment. First, have there been more or fewer apprentices in Wales over the past few years?

[37] **Ms Nielson:** As I understand it, there have been more apprenticeships in the last few years.

[38] **Alun Ffred Jones:** A yw hynny'n golygu bod mwy o lefydd ar gael ar gyfer prentisiaid neu fod mwy o bobl yn trio am y llefydd hynny? **Alun Ffred Jones:** Does that mean there are more placements available for apprentices or that more people are applying for those placements?

[39] **Ms Nielson:** I believe it means neither of those things. As I understand it, there are more apprenticeships because more people are in apprenticeship training. We go back to the point about people being in work and the employer saying, 'Could I now train Joe Bloggs as an apprentice?'. The answer is 'yes', so Joe Bloggs the employee simply becomes an apprentice for the period of the training. There are not necessarily more apprenticeships being advertised, but there could be because they are advertised through sector skills councils, on our apprenticeship matching service and in other ways. I am sorry that I am not answering your question clearly, but I suspect that, again, it is not a straightforward answer.

[40] **Ms Rogers:** It goes back to this issue of defining an apprenticeship, because if you are looking at the old trade apprenticeships, we would say that there is not necessarily an increase, but, overall, there may have been because administration training and customer care, for example, are now being called apprenticeships. Lots of things are being called 'an apprenticeship' now, for example, lots of training on the job.

[41] **Nick Ramsay:** That is an interesting answer to the question.

[42] **Alun Ffred Jones:** Efallai fy mod yn gofyn i'r bobl anghywir, ond a oes ffigurau dibynadwy ynglŷn â phwy sy'n brentisiaid? **Alun Ffred Jones:** Perhaps I am asking the wrong people, but are there reliable figures as to who these apprentices are?

[43] **Ms Neilson:** I am sure that the Welsh Government figures in relation to the funding mechanisms and the routes that the funding supports would provide you with information about the number of apprenticeships that have been funded.

[44] **Ms Rogers:** We can also provide you with information on the number of apprenticeships that we have advertised over the years and the kinds of routes within which they are being placed.

[45] **Alun Ffred Jones:** Diolch yn fawr, byddai hynny'n ddiddorol; mae cael ffeithiau bob amser yn werthfawr. Efallai fod y cwestiwn yn annheg, ond faint o'r prentisiaid sy'n cael eu recriwtio sy'n dod trwy eich gwasanaeth chi? A oes gennych ryw syniad o ran canran neu niferoedd? **Alun Ffred Jones:** Thank you, that would be interesting; getting the facts is always valuable. This may be an unfair question, but how many of the apprentices who are recruited come through your service? Do you have any idea of the percentage or the number?

[46] **Ms Neilson:** I do not have an accurate figure. I would say that it is a relatively small percentage because not all apprenticeships are advertised. Again, I come back to the point about conversions of existing employees. If you are a small employer who decides that you want to train someone, you may well say, 'I have got a job, but how do I get some help as this job requires training?'. By asking the question of Careers Wales, any of the other agencies or a training provider or college, that is how, as an employer, you might be introduced to supporting an apprenticeship. Then, at some point, you would say, 'Okay, how do I now fill this apprenticeship; I understand the scheme, the money and the access, but how do I now find someone to fill it?'. We would be one of the agencies that could help and, certainly, the apprenticeship matching service would now take the vacancy and seek to try to support filling it.

[47] **Alun Ffred Jones:** Credaf eich bod yn dweud yn eich tystiolaeth fod nifer y llefydd sydd ar gael yng Nghymru yn cynyddu, ond nid yw'r patrwm yn gyson ar draws Cymru. A allwch ehangu ar hynny? **Alun Ffred Jones:** I think that you said in your evidence that the number of places available in Wales is increasing, but the pattern is not consistent across Wales. Can you expand on that?

[48] **Ms Rogers:** Yes. What we have got is a situation in Wales where, yes, we think that the number is increasing and we particularly think that the number of employers who are interested in taking on apprentices is increasing, but we find that, particularly in the more rural areas, that is not coming through. So, if you take Cardiff as an example, a substantial number of apprenticeship vacancies are advertised by Careers Wales. For example, in 2008-09, perhaps 10% to 15% of our vacancies were apprenticeships in Cardiff and the Vale of Glamorgan. Now, it is around 70%. However, you would not find that in Powys, or in rural parts of north and west Wales.

[49] **Alun Ffred Jones:** A allwch ehangu ar yr hyn yr ydych newydd ei ddweud er mwyn i mi gael deall yr hyn yr ydych yn ei ddweud? Beth yw'r ffigur 70% yr oeddech yn cyfeirio ato? **Alun Ffred Jones:** Can you expand on what you just said so that I can understand what you are saying? What is the figure of 70% to which you just referred?

[50] **Mr Rogers:** If you look at the vacancies advertised by Careers Wales in Cardiff, you will see that currently around 70% of them are apprenticeships. A few years ago, only around 10% to 15% were apprenticeships and the rest were jobs. That is not the picture across Wales.

[51] **Alun Ffred Jones:** A oes gennych ffigurau ar y darlun drwy Gymru gyfan ac, os oes, a allwch eu rhoi i'r pwyllgor? **Alun Ffred Jones:** Do you have figures on the picture throughout Wales and, if so, could you give them to the committee?

[52] **Ms Rogers:** We could look into that. We do not have those with us at the moment.

[53] **Nick Ramsay:** That is fine, but if you have access to them, could you provide the committee with those?

[54] **Ms Neilson:** We can provide figures about vacancies notified to Careers Wales, which would be in respect of young people. We can provide those and separate them out by percentage of apprenticeships.

[55] **Alun Ffred Jones:** Mae gennyf un cwestiwn olaf: wrth sôn am yr ardaloedd gwledig, rydych yn sôn am yr angen am fwy o hyblygrwydd o fewn y drefn, ond rydych yn cyfeirio at Gwmni Prentis Menai fel model da. Gan fod Cwmni Prentis Menai neu Goleg Menai yn rhannol yn fy etholaeth i, ym mha ffordd y mae'r model hwn yn un da i golegau eraill? **Alun Ffred Jones:** I have one final question: when talking about rural areas, you mention the need for more flexibility within the system, but you refer to Cwmni Prentis Menai as a good model. Given that Cwmni Prentis Menai or Coleg Menai is partly in my constituency, how is this model a good one for other colleges to imitate?

[56] **Ms Rogers:** We raised that as an example of good practice because what you have there is an organisation that is co-ordinating apprenticeships in an area and specifically looking at the needs of the labour market in the future, and trying to prepare young people now for the future. It is the co-ordination of apprenticeships up there that is good practice.

[57] **Alun Ffred Jones:** Pwy sy'n gwneud y cydgordio hwnnw mewn ardaloedd eraill? **Alun Ffred Jones:** Who does that co-ordination in other areas?

[58] **Ms Rogers:** It is not as clear cut as that, in a way, because what you have is a lot of work-based learning providers working to contract to Welsh Government, and it depends on the work-based learning provider in specific areas. We do not have that co-ordination and planning.

[59] **Ms Neilson:** I think that the phrase 'shared apprenticeships' is used in a number of places in the evidence that you have received. That concept is where an apprentice is shared among a number of employers because, frankly, they are too small to manage a whole apprenticeship, all the bureaucracy and all the rest of it. That is a great concept, but making it happen is probably much more difficult on the ground. At the end of the day, someone has to employ that one apprentice, even if the training might be shared by others. So, I think that it is a complex model and that it has not fully taken off, but could well be something to explore further.

[60] **Nick Ramsay:** Two succinct questions now from Eluned and Keith, before I bring in Joyce Watson.

[61] **Alun Ffred Jones:** My questions were succinct.

[62] **Eluned Parrott:** I want to return to the idea of employers apprenticing employees. It could be argued that this is a cause for concern because young people are not able to plan for apprenticeships if they are not advertised in that traditional way and they fall into apprenticeships. It is something that is, therefore, much more difficult to guide people towards. In terms of cause and effect, is that because employers are not able to find good school leavers, and that that route has not worked for them, or is it to do with hedging their bets on who they will employ?

[63] **Ms Neilson:** I will give the easy answer and say, 'both'. Let us not forget that if we are talking about young people, the staying-on rate in full-time education is increasing year on year. At the same time, the cohort size is reducing. That means that the number of young people in the system, in full-time education, has probably been about the same over the last five years, but it also means that the number of young people available and seeking work is fewer. At the same time, there is no doubt that the opportunity environment, supported by the Welsh Government, in terms of training of all sorts, including apprenticeships, has become a very strong base and important in helping young people to access training and to progress, but it is quite a complex business. So, I am sorry to appear to be hedging my bets, but I think that both things could well be at play in respect of responding to your question.

[64] **Keith Davies:** Mewn ffordd, rydych wedi ateb rhan o'r cwestiwn, oherwydd rwy'n gwybod eich bod chi, fel gwasanaeth, yn cyhoeddi arolwg o le mae pobl ifanc yn mynd yn 16, yn 17 ac yn 18 oed, ac mae hynny'n dweud a ydynt yn aros mewn addysg, yn mynd i'r coleg neu i weithio. Byddai hynny o fudd i ni fel pwyllgor, oherwydd rydych yn gwneud hynny ar gyfer pob sir yng Nghymru. Byddai'n ddefnyddiol i ni fel pwyllgor i gael copïau o'r un diweddaraf, er mwyn gweld beth sy'n digwydd ledled Cymru.

Keith Davies: In a way, you have partly answered the question, because I know that you, as a service, publish a survey of where young people aged 16, 17 and 18 go, and that says whether they are staying in education, going to college or out to work. I think that that would be of benefit to us as a committee, because you do that for every county in Wales. It would be helpful for us as a committee to have copies of the latest one, in order to see what is happening across Wales.

[65] **Ms Rogers:** We can certainly provide that. We collate on a county or a unitary authority basis as well.

[66] **Joyce Watson:** I will ask you about advice to young people and marketing apprenticeships. Do you think that there is a need for independent advice on vocational training at a young age? If so, what is the best method for providing that advice and the resource available to it?

[67] **Ms Neilson:** I absolutely agree with that and I would be delighted if, and believe that, Careers Wales should provide that, precisely because we are impartial in terms of the guidance that we offer; that is the fundamental issue in relation to the fact that the service should be available and should be accessible to all young people. I am concerned in relation to budget cuts and so on, but the service will have to be restricted. While there could well be developments from a technical perspective as to how we can deliver the service and still reach out to as many people as possible, I think that young people, of all of our clients, are the ones who most benefit from the face-to-face or one-to-one interview. Being a young person, you

should be able to get it wrong and come back.

[68] The other point is that guidance is about a continuum; it is not that you will make a decision one morning at 14, 15 or 16 years of age, but that you reach transition points throughout your life, and those are the points at which you essentially need guidance.

10.00 a.m.

[69] You do not necessarily always need a one-to-one meeting with a careers adviser, but you should be regularly reviewing where you are, your direction of travel and whether it is working in the way you want it to. If it is not, you may need professional support to change your path to ensure that you are not slithering down snakes, but always moving up ladders and seeking to open up these opportunities.

[70] **Joyce Watson:** Last week, we received evidence, although it was anecdotal, that some young people under 15 have a very poor understanding of ‘apprenticeship’ and what it means.

[71] **Ms Neilson:** I think that you are going to find that with young people under 15. To some extent, this comes back to the provision of education on careers and the world of work in schools—what used to be called ‘the careers education programme’. I understand that an Estyn review is taking place and that a report will be produced shortly on careers and the world of work. I suggest that that could well be related to the question you are asking.

[72] Undoubtedly, with all of the technology available to young people, you can lead a horse to water, but you cannot necessarily make it drink, so to speak. If we are not ensuring, through education on careers and the world of work, that all young people have access to a high-quality informative framework of understanding about opportunities, the labour market, decision making and research skills to help support them towards making their decisions and evaluating those decisions, we are going to continue to find young people who may not know about one route or one range of options, regrettably. Again, to some extent, Careers Wales helps to support addressing that. However, we are unlikely to have the resources to do that for all young people all the time.

[73] **Ms Rogers:** To add to that, I go back to my point about the role of parents and so on in this. If you look at the wider group of influences on a young person’s life, that group of people probably does not understand apprenticeships either; it is not just the young person who does not understand them.

[74] **Nick Ramsay:** Before you continue, Joyce, we have 15 minutes left and there are still a number of questions to be asked. Therefore, please be brief with your questions and answers.

[75] **Joyce Watson:** They have answered the next question.

[76] **Nick Ramsay:** That is great, thanks.

[77] **Eluned Parrott:** Once you have got young people interested in apprenticeships, if they were to actively research the different opportunities available, how easy would it be for them to draw down independent advice?

[78] **Ms Neilson:** Again, it depends how they want to do it. They can access careers advice through school. Our careers advisers are working in schools. Again, depending on the time of year, the youngster may be offered a group work session or a one-to-one face-to-face interview or they could well simply access what we call a clinic, whereby they have seen a

careers adviser and they pop in to say, 'I've had a look at this, but I don't understand it. Can you help me?'. We have the apprenticeship matching service, which sits on careerswales.com and both provides information and is a vehicle that hosts real live jobs. Young people or anyone can apply for an apprenticeship through that route. We also have up to 50 careers centres located throughout Wales. People of all ages are visiting us in the careers centres. Many of the people who come in are unemployed people, largely young people, and, again, they will be saying, 'Well, I would like to be able to do this'.

[79] Therefore, there are all sorts of sources of information. Aside from that, a vast number—many thousands of young people—are in training, supported by work-based training providers, who, as part of that training, will ensure that the position of the youngster is reviewed through progress reviews and so on. Therefore, again, there are linkages that allow youngsters to go into apprenticeships from other training programmes, not simply from unemployment. From that point of view, there is a lot of information available.

[80] **Eluned Parrott:** If a young person were to go to university, their teachers, having been through that process, would be very well placed to help them critically evaluate the different options available to them. However, with apprenticeships, there is a potential problem in that the quality of opportunities available is variable, there are variable types of opportunity and there is perhaps not the same level of detailed support to help young people to critically evaluate the opportunities they have. How is that sort of support provided? Is there enough of it?

[81] **Ms Neilson:** That is essentially one of the roles of Careers Wales. To be fair, I probably would not entirely agree with your suggestion that, because they have been to university, teachers are necessarily best placed or indeed entirely supportive of university as the route. This comes back to my earlier point about impartiality. Frankly, with regard to teachers in schools, lectures in colleges, training providers and, to some extent, employers and certainly parents, there are question marks about impartiality. If we are looking at impartiality, I would be making the pitch clearly on behalf of Careers Wales for careers guidance by professionally qualified careers advisers. From my point of view, I would argue that that is certainly something that we need to ensure that there is more of and ensure the best possible access to. We are currently trying to develop our service so that it is not entirely based on a face-to-face, one-to-one service, even though young people are saying that that is what they want. We are ensuring that we can use all of the technology, including our website and telephone helpline, so that people can access impartial careers guidance. Therefore, it can be something that they are dipping in and out of to suit their needs. Many people will do a bit of research but maybe reach a point where they do not fully understand something. So, they want to phone up and say, 'How do I sort this bit out?'. We have to try to be much more flexible in how we construct our service.

[82] **Nick Ramsay:** Are you using Twitter as well?

[83] **Ms Neilson:** I accept that we need to use Twitter as well.

[84] **Ms Rogers:** The other thing with that is, within work-based learning apprenticeships, we do not have the same level of information or the same quality of information available to support the guidance process in schools. We have superb further education prospectuses and a lot of information about the sixth forms, but there is only very little information that we can take into schools to try to show young people what is available out there with regard to apprenticeships, particularly work-based learning.

[85] **Eluned Parrott:** Why is that and who should be providing it?

[86] **Ms Rogers:** It should be provided by the work-based learning provider network, the

National Training Federation for Wales, and the Welsh Government with regard to apprenticeships. There is a lot of marketing information about apprenticeships but, if I am sitting in Tonypany, for example, I want to know whether there are any apprenticeships in my local area. Often, that information is not available; there is only general information that says, 'You can do an apprenticeship'.

[87] **Eluned Parrott:** So, people are looking for apprenticeships that are much more local than university and further education opportunities.

[88] **Ms Rogers:** Yes; that is true of young people aged 16 to 18.

[89] **Nick Ramsay:** We have seven minutes left. We will have a brief question from Julie, and then I will bring David Rees in.

[90] **Julie James:** Regarding the dissemination of information, one of the frequent complaints that I have from young people is that the website and information services are not set up to match the way that young people think. So, for example, they do not use the telephone; they use chat rooms or whatever, and it is not accessible like that. Whereas you and I, if we did not understand something, would pick the phone up, young people do not do that. They type something into Google or whatever and do not use the phone.

[91] **Nick Ramsay:** You can just agree with that.

[92] **Ms Neilson:** I can agree with that, but I should say that we also meet with 75% of young people face to face in year 11, which is a very high percentage.

[93] **David Rees:** I would like to return to some of the skills aspects in order to clarify a point. It seems, from the evidence that we have received, that there is a different outlook for the large companies compared with small and medium-sized enterprises, where the large companies seem to have a clear skills agenda and the SMEs do not. Is that your view as well?

[94] **Ms Neilson:** That would be our view. We also have some issues in relation to the system in England. In England, very large organisations can access funding directly from the agencies to support their apprenticeship scheme. In Wales, you need to go through a training provider. So, for the large companies, sometimes, that can be seen as a bit of a barrier. It also means that, sometimes, large companies want to advertise all of their apprenticeships under their company name as one scheme. So, from a careers' perspective, we have a link from our apprenticeship matching service to that company, which gives the access to the scheme. However, therein immediately lies another complexity, so it is not a case of saying that all the apprenticeships are on the careerswales.com apprenticeship matching service; it is a case of telling people to go to the matching service and that they could be referred to a large company.

[95] For smaller companies, we come back to the situation of where the employer starts and where they go; are all of us geared up to providing the small employer with the best possible information to get that apprenticeship vacancy clarified and logged so that the employer knows what is expected of him and understands the costs, any income support and what the training provider does? It is a complex business, and we need to try to find a way of simplifying that through what we all do together. We are all doing the best that we can, but we have to start to mesh this into something that works, rather than necessarily something that could be dependent on ringing the right place at the right time or meeting someone and hearing something and following some kind of trail to get to the end result.

[96] **Nick Ramsay:** Dave, could you be succinct with your next couple of questions? I will then bring Ken Stakes in.

[97] **David Rees:** Yes. I have two quick points on that. Is there a need for support for small companies on skills analysis, because of the complexity, so that they can develop and identify the apprenticeships? As you said, most of them seem to identify an apprenticeship after someone has been employed.

[98] **Ms Neilson:** Small employers particularly know what they want in terms of skills. What they do not know is how to go about addressing that.

[99] **David Rees:** In terms of skills levels at entrance and the pathways, is there support for small businesses to identify the levels that they want so that they can encourage people to come in through an apprenticeship?

[100] **Ms Neilson:** Yes.

[101] **David Rees:** I told you I would be succinct, Chair.

[102] **Nick Ramsay:** You were; you delivered.

[103] **Kenneth Skates:** I would like to go on to competition among post-16 providers. What are the consequences for apprenticeships of the higher staying-on rates among 16 to 18-year-olds in schools and further education?

[104] **Ms Neilson:** This comes back to thinking that we need to do something to better inform young people about access to apprenticeships and to ensure that apprenticeships are available for young people to apply for at the point when they are considering other options. Arguably, some young people may be continuing in full-time education because it is there, they can access it and they are offered a place. Accessing an apprenticeship may not be as simple or straightforward. That is what we need to try to do. In the old days, many years ago, I could guarantee that, as a careers adviser, I would go into a school at this time of year when young people are leaving with a list of jobs, apprenticeships, traineeships and so on, because that was when employers recruited. However, to be fair, employers now recruit 12 months of the year. A much smaller number of employers want to recruit young people at the point of school leaving, yet we have a large group of young people about to leave school. So, we have to address that issue to give youngsters the access and to ensure that the opportunities are available. That will help young people to make the best possible decisions and, frankly, not create the problem that you suggested, which could be that youngsters are staying on and, therefore, we are not necessarily getting the best young people for the apprenticeships. We want the best young people, whatever their option is going to be, and we want them to choose the best option.

[105] **Kenneth Skates:** Do you think that efforts are being made to improve the resources at schools for vocational training, in particular the quality of the training providers?

[106] **Ms Rogers:** Do you mean work-based learning or do you mean vocational courses—

[107] **Kenneth Skates:** Vocational courses in schools.

[108] **Ms Rogers:** So, that would not involve work-based learning training providers in the schools, would it? It would be just the schools.

[109] **Kenneth Skates:** Yes.

[110] **Ms Rogers:** There are varying degrees of quality in the provision. One of the problems that we have at the moment in Wales is that there is a complex picture of provision

for young people aged 16 to 18. Often, they are choosing to stay within the safe environment of school, because they know the school, they understand it and their friends are there, but they are not necessarily choosing the right option. For example, schools are now putting on a lot of vocational courses that they probably would not have run a few years ago and, possibly, even without the professional teaching and equipment that they would need to run them. I fail to understand how you can run a hairdressing course without having a salon, and hairdressing is run as a sixth-form option now. I am not sure about the quality of vocational training in schools and that they are the right place for it when you have FE and work-based learning available. The problem that we have is that young people feel safe in schools. Increasing the staying-on rate does not necessarily mean that you will decrease the unemployment rate at the age of 18, because we know that that is not happening.

[111] **Kenneth Skates:** It is not just about feeling safe at school, is it? It is about a lifestyle choice, and a lot of young people at the ages of 16 to 18 would rather keep open the option of having some freedom, of going to university with their peers and of enjoying a lifestyle that they might not have if they become apprentices.

[112] **Ms Rogers:** You are talking about young people who, often, will not get to higher education. They are young people who would have left school and entered an apprenticeship, a job or work-based learning just a few years ago, but are now remaining in sixth forms on a merry-go-round of level 1 qualifications that will not get them to progress to higher education, and nor will they progress to further vocational learning or employment after leaving school.

[113] **Ms Neilson:** We also have to recognise that young people's perceptions can sometimes be unrealistic. No young person who wants to be a hairdresser is going to want to work in a backstreet hairdressers with elderly clients on a Tuesday, giving 10% discounts. That will not be their aspiration. They want to be a Nicky Clarke. So, when they start a hairdressing course to carry this through, they will have a real employer saying things like, 'On Tuesdays, we see pensioners, so you need to be good at chatting to them', and 'You may find that you will develop muscle in your upper arms because the hairdryer works that way' and 'Oh, I've got varicose veins because I stand all day'. The reality of any job, when it hits home to that youngster, is very often a great learning opportunity, but it is also the time when a youngster might turn around and say, 'I don't want to do that'.

10.15 a.m.

[114] **Nick Ramsay:** The reality for us is that we are out of time. However, we have two remaining questions. I would appreciate one-line questions and one-line answers.

[115] **Alun Ffred Jones:** In the idiot's guide, there is a box with the heading 'Levels'. Within that box, it is stated that level 4 and above in Wales is 'Higher Apprenticeship (Not a WG priority)'. On what do you base that?

[116] **Ms Neilson:** Our understanding is that the priority in relation to the use of funding is with levels 2 and 3. There is limited funding available for level 4 and above, and it needs to be cleared through the Welsh Government.

[117] **David Rees:** On the question of schools and vocational work, I understand that a lot of schools are linking with colleges in order to deliver. Is that the best way of delivering that vocational work?

[118] **Ms Neilson:** That approach is much more effective. Schools need to link with other parties, whether they are colleges or work-based learning providers. That has taken a little time to bed in. Schools on their own are not necessarily best placed for the vocational options,

so other parties should help out with that.

[119] **Nick Ramsay:** Excellent. That brings this evidence session to a close. I thank Trina Neilson and Shirley Rogers from Careers Wales. Your evidence has been very helpful; you have provided a lot of information. It was remiss of me at the start not to thank you for your written evidence, so thank you for providing that. It would be excellent if you could get back to us with some of the requested further information. Thank you very much for attending today; you have been very helpful.

[120] We have a couple of minutes for Members to take a comfort break.

*Gohiriwyd y cyfarfod rhwng 10.17 a.m. a 10.23 a.m.
The meeting adjourned between 10.17 a.m. and 10.23 a.m.*

Ymchwiliad i Brentisiaethau yng Nghymru—Sesiwn Dystiolaeth Inquiry into Apprenticeships in Wales—Evidence Session

[121] **Nick Ramsay:** I welcome everyone back to the committee, continuing our inquiry into apprenticeships. I welcome our witnesses from the Federation of Small Businesses in Wales. Thank you for coming in and for your written evidence. Before we go into questions, would you like to give your name and position?

[122] **Mr I. Davies:** I am Iestyn Davies, head of external affairs.

[123] **Mr Miles:** I am Joshua Miles, policy adviser.

[124] **Nick Ramsay:** Great. We have a number of questions for you, so if at any point I am moving things on, it is because we need to make progress. Should you need it, the translation is available on channel 1 of the headsets. The first question is from David Rees.

[125] **David Rees:** Let us look at the skills side of the agenda to start with, and perhaps the needs of the small businesses that you represent. How do small businesses identify their skills needs in relation to wanting apprentices? I will continue with the questions after the answer to that, if that is okay.

[126] **Mr I. Davies:** The answers to that are probably as unique and individual as the businesses themselves. You are not looking at a developed programme with a human resources department or a skills and learning department. You are relying on co-operation with training providers, maybe on traditional routes into training, and almost following the same, for them, well-trodden path. The danger then, of course, is that you could lose out on innovation, or you could be missing skills gaps that could be enhancing productivity. At the lower end, for the micro and very small businesses, it is more likely to be the tradition—that is, of following the same path that the owner followed. As the organisation gets larger, there is more opportunity for a general skills audit to be undertaken in the company to establish the need. So, the key thing here is looking at the relationship between the training provider and the small business community to make sure that need is being met.

[127] We do not seem to be hearing much about the sector skills councils providing the level of relationship that would be needed to identify need, particularly for the micro and the small business sector. So, our concern would be—and I raised this in the written submission—the quality of the relationship between the employer, the training provider and the intermediaries. That is the key to ensuring that there is successful skills development going on.

[128] **David Rees:** In one sense, to identify that link and association, the employer has to understand that there is a need for skills development in the first instance. Is there any mechanism that is available to the employer to carry out a training needs analysis of the business? Clearly, as you say, smaller businesses are smaller bands of people, and therefore they have difficulty finding the time to do that.

[129] **Mr I. Davies:** In the work that we did to prepare this response, we could not glean anything in that respect from the people to whom we spoke.

[130] **David Rees:** Looking at the skills of the individuals coming in, you have mentioned numeracy and literacy, as we have highlighted, and you have mentioned the Programme for International Student Assessment results, which are more reflective of the ability to use numeracy and literacy in problem solving. However, you talk about soft skills and about work experience, which may benefit people's soft skills. You were asking for more work experience, but I am aware that many people who try to find work experience for school pupils, given that there are such large numbers, often do not get support from small businesses to do that. So, how do we address that issue?

[131] **Mr I. Davies:** That is very difficult, because on the one hand you have small businesses saying that they cannot take someone as it means a fortnight out of their business life but, on the other, they say that they need young people coming through the system with the skills and who have had the opportunity of working with them. The only way to do it is to support careers guidance and the role of intermediaries within schools, making sure that schools see it as valuable and invest time and resources into it. I have said elsewhere that, within Estyn's common inspection framework, there is a need for the school to be linked to the local community.

[132] One of the points that we make elsewhere is that skills need must be identified and must reflect the need in the local community. So, we would like to see a much closer working relationship, but it is not easy to achieve. Ultimately, without wanting to absolve my members of the responsibility, I do think that the people who have the time, the energy, the opportunity and the inclination to help to build that bridge reside within the school.

[133] **David Rees:** Yes, I have read somewhere that you feel that there should be more involvement with boards of governors, but I think that there should be more involvement with schools generally, because the role of the governors is different. The involvement of a small business with a school could be about developing employability skills and perhaps encouraging young people to develop those skills.

[134] **Mr I. Davies:** I think that it can work both ways. Having a co-operative or community governor from a business background sitting on the governing body adds value elsewhere, but it can also help to direct and push forward the skills and employability agenda within a school generally.

[135] **David Rees:** Be careful, because I have been on the governing side of institutions where businesspeople have come in and said that they are not there to focus on the educational needs of the institution. That is one of the problems.

[136] I will go on to look at the qualifications. Your view, if I am right, is that there are too many.

[137] **Mr I. Davies:** Yes, and we have fed that into the skills review. It is about trying to figure whether our members are saying that there are too many qualifications or too many versions of the same qualifications. We need to tease that out. Going back to your point previously about employability, as we understand it, the Deputy Minister has asked for a

discrete bit of research to pin down what small and medium-sized enterprises mean by employability and too many qualifications. So, we will be helping with that via the independent consultants.

[138] **David Rees:** This is a personal view of mine, but do you agree that sometimes we do not even understand what a qualification means. So, if someone gets a C in maths or a 'pass' in a BTEC, what competences can they actually demonstrate? Do employers feel that that is missing?

[139] **Mr I. Davies:** I think so, but our survey tells us the average or mean age of an entrepreneur/businessperson and their experience of the school-based assessment will be quite different from what young people are going through at the moment. So, there is a job to be done on explaining what these qualifications do. In many ways, employers are like parents with teenage children. We remember what it was like when we were in school, but I think that a lot of things have changed since then.

[140] **David Rees:** It has changed a lot since I was in school, anyway. *[Laughter.]*

[141] Is that a reason why employers are taking people on at an older age, rather than straight from school?

[142] **Mr I. Davies:** We have not asked the question, so I am giving my personal opinion here, but I would perhaps draw a link between that and the perception—and I have no evidence to say that it is any more than a perception—that someone who is a little more mature will be more employable than school leavers. That is another reason why we support the research that the Deputy Minister is undertaking, to understand what is meant by employability.

10.30 a.m.

[143] **David Rees:** I have one final point. Small businesses have identified some difficulties because of the fact that they are small businesses. However, is there a move to look at how they could be mentored by, or how they could work with, larger businesses to support the development of apprenticeships?

[144] **Mr I. Davies:** We appreciate that there is sometimes an oversupply of apprenticeships by larger companies. The Confederation of British Industry looked at this from a UK perspective, and if they are generating apprentices who are perhaps not skilled or suitable for self-employment or trade-based businesses, although there are benefits and that is good, perhaps they are not getting the right kind of apprentices for the job. If there is oversupply—and we are building that into the equation—and an element of 'This is what we think the profession needs', we would like to see that gap closed so that a shared apprenticeship could be led by a major employer. There could be much closer triangulation between a large employer, the skills provider and the small business. What we have said elsewhere is that some of our members are quite sceptical about shared apprenticeships, so if you were to go down that route of having a shared approach, some work will need to be done to explain the benefits of shared apprenticeships for the small business.

[145] **Eluned Parrott:** Just following on from what you said, we have heard a lot of evidence that parents, young people and teachers do not fully understand the apprenticeship system as it is. Do SMEs understand the system? If they want to find out more, do they have access to good-quality information about how to put together an apprenticeship programme?

[146] **Mr I. Davies:** Those who, traditionally, have employed apprentices and worked with them understand the system and are aware of some of the more nuanced changes that have

taken place over time. However, if you were to ask employers who had not taken on an apprentice the difference between a foundation and levels 2, 3 and 4, their perception would be that, 'It's an apprenticeship, isn't it?'. So, we need to be clear what we are calling each stage and say, 'This is what you are getting', and make sure that we can pull more SME employers into the business of employing apprentices.

[147] **Eluned Parrott:** Is there a problem of esteem with apprenticeships among SMEs because of the fact that there are different levels and they do not necessarily understand what they are getting?

[148] **Mr I. Davies:** From our research, and what our members are telling our policy unit, I do not think that the esteem problem lies with the small business, but possibly with the school or the parents and the wider community. A lot of trade-based businesses will have gone through the apprenticeship route themselves, so they do esteem apprenticeships and see their value, and that is why they are committed to being a part of what is going on.

[149] **Byron Davies:** Just as a direct question, what do you think the main barriers are for employers not taking on apprentices?

[150] **Mr I. Davies:** One is time, and the other is financial implications. Obviously, time is money in business, so they are closely related. We welcome the Young Recruits programme and the idea that there is a financial incentive, or at least not a disincentive, to taking on apprentices. Ultimately, the barrier is about being able to ensure, particularly if you esteem an apprenticeship as an important contribution to be made by business, that you do it and do it right. The main barrier is cost, but also, going back to the previous question, ensuring that you are a part of the system that decides what kind of skills your apprentices will have. Time and money are the two main barriers.

[151] **Byron Davies:** I know that, in your submission, you talk about the current economic climate, so that certainly has an effect on it, do you think?

[152] **Mr I. Davies:** Yes.

[153] **Byron Davies:** Another thing that you say in your submission is that, in meeting the skills needs of employers, there is a failure of the education system to address adequately issues of literacy and numeracy. Is that a big problem?

[154] **Mr I. Davies:** It is a commonly reported problem, it is fair to say.

[155] **Mr Miles:** It runs through most of the skills issues that affect small businesses. They do at least perceive that there is a problem with basic skills and soft skills, as we touched on before. Obviously, this is being looked at as part of wider reviews, such as the qualifications review. A lot of small businesses have mixed experiences with apprentices. Perhaps they have to spend extra time on retraining or basic skills, and that makes it more difficult for them to hire apprentices.

[156] **Mr I. Davies:** I should say that it is also about some of the practical skills that you need to make sure that you are in work on time, and know how to get to work, and so on. It sounds dreadful, but these are common anecdotal contributions from our members. However, that does not undermine how they value apprenticeships, which is the positive side of it.

[157] **Byron Davies:** There are problems with self-management, do you mean?

[158] **Mr I. Davies:** Yes. Again, we do not have enough depth to try to unpack this response from our membership yet to be able to understand it in any more detail ourselves.

[159] **Alun Ffred Jones:** Yn y gwaith a wnaethoch gyda'r cwmnïau sy'n aelodau o'ch corff, a oes unrhyw wahaniaeth rhwng agweddau cwmnïau mewn ardaloedd gwledig a'r rhai mewn ardaloedd poblog?

Alun Ffred Jones: In the work that you have done with the companies that are members of your organisation, is there any difference in attitude between firms in rural areas and those in more populated areas?

[160] **Mr I. Davies:** Nid wyf yn siŵr achos nid yw'r adborth a gawsom wedi'i glustnodi o ran pa mor wledig oedd yr ymatebwyr. Mae'n debyg bod gwahaniaeth rhwng cyflogwyr sydd â niferoedd isel o staff a'r rhai sydd â mwy o staff. Fodd bynnag, gallaf fynd yn ôl at y data i weld a oes gwahaniaeth o ran hynny.

Mr I. Davies: I am not sure because the feedback that we received was not separated according to how rural the respondents were. It seems that there is a difference between employers with low numbers of staff and those with more staff. However, I can go back to the data to see whether there is a difference in that regard.

[161] **Alun Ffred Jones:** Os oes gennych unrhyw dystiolaeth neu wybodaeth am rwystrau mewn ardaloedd mwy gwledig, byddai'n ddefnyddiol oherwydd efallai fod angen datrysiad gwahanol.

Alun Ffred Jones: If you have any evidence of, or information about, the barriers in more rural areas, that would be useful because those areas may need a different solution.

[162] O ran agweddau cwmnïau, a oes problem wedi'i amlygu yn eich gwaith o ran cysoni anghenion cwmnïau â sgiliau prentisiaid?

On companies' attitudes, has your work highlighted any problem reconciling the needs of companies with apprentices' skills?

[163] **Mr I. Davies:** Oes. Un peth yr ydym wedi'i nodi yw, fel y dywedais yn gynt, fod angen sicrhau bod anghenion a diben y brentisiaeth yn cyd-fynd, fel bod dyheadau'r unigolyn sy'n derbyn yr hyfforddiant yn cyd-fynd ag anghenion y cyflogwr.

Mr I. Davies: Yes. One thing to note, as I said earlier, is that we need to ensure that the needs and objectives of the apprenticeship coincide, so that the aspirations of the individual receiving the training coincides with the employer's needs.

[164] Un peth yr ydym wedi cael adborth annibynnol arno yw'r ffaith bod bron â bod diwylliant tic-bocs, a'n bod yn rhoi pobl i mewn i brentisiaethau—yn enwedig, yn ôl rhai o'n haelodau, os ydynt yn ifanc—er nad ydynt yn chwilio am alwedigaeth neu yrfa yn y maes hwnnw, ac yn chwilio am rywbeth gwahanol. Felly, mae angen inni sicrhau bod yr unigolyn sy'n mynd yn brentis wirioneddol eisiau bod yn y rôl honno.

One thing that we have had independent feedback on is the fact that there is almost a tick-box culture and that we are putting people into apprenticeships—particularly, according to some of our members, if they are young—when they are not looking for a vocation or a career in that area, but are looking for something different. So, we need to ensure that the individual who ends up as an apprentice really wants to be in that role.

[165] **Alun Ffred Jones:** A oes gennych esiamplau o arfer da mewn unrhyw ran o Gymru y gallai ardaloedd eraill eu defnyddio fel patrwm?

Alun Ffred Jones: Do you have any examples of good practice in any parts of Wales that other areas could use as a template?

[166] **Mr I. Davies:** Byddai gennym ddiddordeb gweld y sefyllfa mewn cwmnïau fel Airbus a chwmnïau tebyg yn y gogledd. Mae wedi bod ychydig yn haws cael adborth o'r ardal honno nag oddi wrth ardaloedd yn y

Mr I. Davies: We would be interested in seeing the situation in companies such as Airbus and similar companies in north Wales. It has been a little easier to get feedback from that area than from areas in the south-east.

de-ddwyrain.

[167] **David Rees:** You mentioned the skills issue and the costs being a barrier to offering apprenticeships in small businesses. Has the Pathways to Apprenticeship scheme and programme in the colleges gone some way towards alleviating those difficulties?

[168] **Mr I. Davies:** I would hope so.

[169] **Mr Miles:** Small businesses welcome the ambition behind the pathways programme, because they can see the progression routes. Having a foundation to build on is something that they can attach themselves to and do themselves. A couple of queries were raised while we were doing this exercise, namely that people who spent the first year just in full-time education did not have the kind of skills that people doing just the foundation apprenticeship may have had from work experience and employment. However, we have to survey our members more on that to get into that a little bit deeper.

[170] **Mr I. Davies:** Once you start and the relationship with the employer is in place, things definitely seem to improve. It is about getting over that initial hump.

[171] **Eluned Parrott:** We have heard a lot of evidence that bigger companies often have hundreds of applicants for every apprenticeship place, but do SMEs struggle to recruit high-quality apprentices?

[172] **Mr I. Davies:** I do not think so, because if they have someone who genuinely wants to be in a trade, they succeed. The problem is when they have people placed with them inappropriately. That goes back to the point of ensuring that an individual is fitted to the right role.

[173] **Eluned Parrott:** On that recruitment process, how would you like to see it improved?

[174] **Mr I. Davies:** It starts with putting it on the agenda of more young people in a school or training environment, so that they realise that this is what they want. In a wider sense, it is about raising the esteem of apprenticeships or putting them back to the place that they were at a few decades ago. It is also about addressing some fairly structural foundation principles about ensuring that the individual who is going on an apprenticeship do not feel disadvantaged compared to someone who is perhaps on minimum wage for a non-skills-based or training-based or apprenticeship programme or, indeed, a friend who is on benefits, if you take out the travel to work costs. So, those factors are probably more important in directing more young people towards apprenticeships.

[175] **Eluned Parrott:** In terms of recruitment, retention and esteem, the quality of the product is an important aspect. We have heard some anecdotal evidence that there is variability in terms of the quality of the apprenticeships that are offered to young people. What support is available to SMEs to help them to develop the best possible, and most structured possible, apprenticeship opportunity?

[176] **Mr I. Davies:** I may as well flip that the other way round. Our members say that the problem comes when there are people delivering the skills or training who do not have any real experience of the workplace or whose experience is out of date. Their response is—and I am not surprised by this—that the problem lies with the training provider, not with them as the workplace placement, but I suppose that they would say that, would they not? [*Laughter.*]

[177] **Eluned Parrott:** They would.

[178] **Nick Ramsay:** They would indeed.

[179] **Joyce Watson:** I am going to move on to shared apprenticeships. What do you think the benefits are for SMEs of shared apprenticeships?

[180] **Mr I. Davies:** It is clear that, if you can be part of upskilling, training and developing the skills of your local economy, it is a benefit, not just for you as a business, but for the wider economy. As I said earlier, there needs to be some work done on selling the benefits to an individual employer. For us, as an organisation, they seem quite clear that you get all the benefits of having new skilled labour and a creative learning environment in your business but, unfortunately, some of our members note in feedback that they are asking, ‘Whose apprentice is this person?’. At the moment, they are probably more aware of what could go wrong rather than what could benefit them.

[181] **Joyce Watson:** I also notice in your paper that they recognise the public procurement and community benefits clause that allows this to happen. Are they clear or are these two sets of people?

[182] **Mr I. Davies:** It is probably too early to say whether public benefit through procurement is delivering on the apprenticeships skills side. I would not be confident in saying, other than that I see it as a benefit, that there is tangible benefit on the ground. We are at the very start of that process where public benefit is being flagged up through procurement. I would hope that it was the case, but I would not want to give the committee false hope that we have the evidence that that is pushing through.

[183] **Mr Miles:** If you come back to some of the larger businesses and how they have community benefit clauses in their contracts, and come back to issue of oversupply of apprentices and how that trickles down the supply chain, that is an area that could be worked on strategically, so that smaller businesses in the supply chain could benefit from an oversupply as a result of a community benefit clause. Smaller businesses, generally, are in their local communities, so if they benefit, the communities will also benefit from greater skills provision. That is something that could be looked at.

[184] **Joyce Watson:** I am sure that you have heard of the Constructing Carmarthenshire Together scheme. That was clearly laid out. Do you know of other examples?

[185] **Mr I. Davies:** We recently met the Chartered Institute of Housing and looked at how public benefit as an ethos in the building and housing industry can support not just apprenticeships, but the wider needs of economic development. The Carmarthenshire scheme is often flagged up as a good example. It is perhaps such a clear and obvious good example because there are not others elsewhere. If we were to speak to members in Carmarthenshire, perhaps we would get a much better response in terms of the public benefit clauses.

[186] **Julie James:** Going back slightly on the shared apprenticeships and the benefits to employers, I am particularly concerned with the aspect of microbusinesses and their ability to succession plan. We have had two or three thriving businesses in my local area going out of business because they could not sell themselves and the person wanted to retire—well past normal retirement age, I have to say. It was quite clear that, had they had the ability to train somebody up to take over that business, they would have had an ongoing business.

10.45 a.m.

[187] There was nothing financially wrong with the business; there was just nobody to take it on. I only became aware of them far too late to do anything about it, but they did not seem to have a clue about any kind of shared apprenticeship scheme. They clearly felt that they

could not employ a whole apprentice, but I wonder whether you have much awareness of that. The microbusinesses succession thing really worries me, since so many of our businesses are microbusinesses.

[188] **Mr I. Davies:** We share that concern and we have done some work with the Wales Co-operative Centre to look at other governance models that could help in that respect, but they tend to be more successful in larger enterprises and organisations, that is, larger in SME terms of course. So, there is this question of how we can have evangelists for apprenticeships going out to explain and sell their benefits and engaging the local business community. That also comes back to understanding what the local skills need is. We are not saying that it should be a stop on ambition and that we should only be training young people to deliver the skills needs of their local community—that would take us back into an industrial and provincial way of looking at Wales. So, we are not saying that, but that there needs to be a better understanding of what could be provided in the community. You need this outreach push, rather than saying, ‘Come and find our website information’ as a way to solve that problem.

[189] **Nick Ramsay:** That is clear.

[190] **Keith Davies:** A sôn am barch cydradd at gyrsiau galwedigaethol a chysiau academiaidd, mae rhai sectorau yn well nag eraill. Wrth gwrs, mae hyn yn sylfaenol o ran ysgolion a lle mae plant yn dewis. Fodd bynnag, yn eich papur, rydych yn gwneud cwpl o bwyntiau diddorol. Yn gyntaf, rydych yn dweud efallai y dylai ansawdd y dysgu wella a phe bai hynny’n digwydd efallai y byddai mwy o barch at gyrsiau galwedigaethol. Rydych hefyd yn dweud yn eich papur y dylai fod gan blant gyfle i fynd i’r gweithle i weld lle mae pethau’n digwydd. A oes enghreifftiau gennych o hyn yn digwydd rhywle, hynny yw bod parch cydradd at y ddau oherwydd y profiadau mae plant yn eu cael pa un ai yn y dosbarth neu mas yn y gweithle?

Keith Davies: Regarding parity of esteem between vocational and academic courses, some sectors are better than others. Of course, this is fundamental in terms of schools and where children choose. However, in your paper, you make a couple of interesting points. First, you say that perhaps the quality of teaching should improve and that if that were to happen, perhaps vocational courses would be held in higher esteem. You also say in your paper that children should have opportunities to go to the workplace to see where things are happening. Do you have examples of this happening anywhere, namely that there is parity of esteem between both, because of the experiences that children gain either in the classroom or out in the workplace?

[191] **Mr I. Davies:** Pan rwyf wedi siarad â chyflogwyr a rheini sy’n rhedeg busnes sydd wedi mynd trwy’r system, maent wedi dweud eu bod yn teimlo parch mawr tuag at brentisiaethau, ond nid wyf wedi dod ar draws unrhyw dystiolaeth o lefydd lle mae hynny’n gweithio yn dda. Buasai diddordeb mawr gennym glywed yn ehangach gan asiantaethau neu gwmnïau eraill os oes tystiolaeth ar gael. Mae persbectif busnesau bach yn lled negyddol, fel y gwelwch o’r adborth a’r dyfyniadau yn yr adroddiad. Felly, nid oes modd i ni gyfeirio at lwyddiant penodol a dweud y dylem ddilyn y trywydd hwnnw.

Mr I. Davies: When I have spoken to employers and those running businesses who have gone through the system, they have said that they hold apprenticeships in high esteem, but I have not come across any evidence of places where that is working well. We would be very interested to hear more broadly from other agencies and companies if such evidence is available. The perspective of small businesses is relatively negative, as you will see from the feedback and the quotes contained in the report. So, we cannot refer to a specific success and say that that is an exemplar that we should follow.

[192] **Keith Davies:** Rwy’n credu y **Keith Davies:** I think that we had evidence

cafwyd tystiolaeth yn gynharach y bore yma bod angen mwy o gydweithio rhwng ysgolion, colegau a chyflogwyr er mwyn i'r plant gael y profiad hwnnw a gweld y rheswm dros ddewis cyrsiau galwedigaethol.

earlier this morning that there is a need for more collaboration between schools, colleges and employers so that the children can get that experience and see the reason for choosing vocational courses.

[193] **Mr I. Davies:** Yn sicr, mae hynny'n neges sy'n dod yn gyson gan ein haelodau.

Mr I. Davies: We certainly get that message regularly from our members.

[194] **Kenneth Skates:** I will ask about completion rates and outcomes. Apprenticeship completion rates generally have improved in recent years. Is this true in small businesses? Specifically, Chwarae Teg says that the proportion of women completing apprenticeships is in decline. Is that the same in small businesses?

[195] **Mr I. Davies:** We have no evidence to doubt that that is the case. So, where it is improving, it is good. The wider business and business policy community has concerns about women entering skills-based professions and the wider community being represented on the skills agenda. I think that it is again down to ensuring that anybody leaving school or in school sees a profession with a vocational base as something that they want to aspire to, irrespective of their gender, ethnicity or any other issues that might be relevant to them. If you ask the same question and get the same response three or four times, you tend to think, 'There is some element of truth to this'. It is clear to me that, on the one hand, you see apprenticeships being esteemed by the employers, but they do not feel that that esteem is shared in educational establishments—there are possibly some hotspots of good practice—and, as a result, the individuals whom they are sent are often unskilled and lack employability skills—they are two slightly different things—or are simply the first person on the list to tick the box, and there is a mismatch. That is coming from the members.

[196] **Kenneth Skates:** What proportion of apprentices, if you have any figures, goes on to secure full-time work on completion of their apprenticeships?

[197] **Mr I. Davies:** I do not think that we have any evidence on that in our research. We could ask all the individuals, but looking at our research cohort, we have 20 to 25 people to give us an understanding of what is going on. So, even if all 25 say that they have been successful, I do not think that it is statistically valid enough as a foundation to build on. I think that that information is probably out there somewhere, however.

[198] **Nick Ramsay:** Have you finished, Ken?

[199] **Kenneth Skates:** Yes.

[200] **Nick Ramsay:** I think that David Rees wanted to ask a specific question on vocational training.

[201] **David Rees:** No, I do not.

[202] **Nick Ramsay:** Okay; I have misunderstood.

[203] **Keith Davies:** May I just follow up on what Ken was asking about? Under the present Government, we have Jobs Growth Wales offering opportunities for 4,000 young people a year to take up an apprenticeship. So, it would be useful, with regard to Ken's second question, to find out how many get a job at the end of it.

[204] **Mr I. Davies:** One of the concerns that we expressed at the policy formation stage was that creating 4,000 jobs through apprenticeship training places is different to creating

4,000 sustainable jobs. We all know that; that is not a criticism of the politics, but of the reality. Anybody can say, 'We will make x number of jobs', and you are right to ask whether they then become sustainable jobs.

[205] **Keith Davies:** That follows on from Julie's question about succession planning. Small businesses could use it to get people in.

[206] **Mr I. Davies:** Members who are tradespeople are saying to us that there is more work out there for them if they just had the capacity. So, you are caught in this vicious circle, not just in terms of sustaining a business and handing it on, but also in terms of growing the business.

[207] **Nick Ramsay:** David Rees, I will not anticipate your question.

[208] **David Rees:** Well, I will ask one about vocational training now. [*Laughter.*]

[209] 'Apprenticeship' is a nice term. Are many people simply associating an apprenticeship with training, although it is different from a vocational qualification or vocational development? They are slightly different. Is the term 'apprenticeship' being used by small businesses simply to mean that they are training somebody in a particular topic, but not actually developing them in it, which is what I would expect an apprenticeship to do?

[210] **Mr I. Davies:** You are right; there is a danger that we call everything that is vocational an apprenticeship. However, I feel that a lot more of our members have been trained through the apprenticeship route, rather than by gaining degrees or other academic qualifications as a route into business. They outweigh them. I can share those statistics with you from our most recent research. It is clear to them what they think they understand by 'apprenticeship'. I suppose the question is whether that chimes with what the wider skills community and society at large believe.

[211] **Mr Miles:** This also brings up the question of branding for apprenticeships. It is important that branding is not diluted by having the term 'apprenticeship' taken over to schemes that are perhaps not associated in the minds of employers with apprenticeships. I am not sure that this is actually true, but in England, they have gone down a slightly different route in spreading the brand of apprenticeships a little more widely, and that has increased the number of apprentices they have. However, that may not be the same sort of scheme that employers associate with apprentices. It is therefore important to keep the quality of that branding quite high.

[212] **David Rees:** One of the things that I questioned in my previous work was the difference between training and vocational qualifications and the development of how everything is worked and put together. It is important to clarify that. As you have said, with the branding, you can say that you can train lots of people, but that does not necessarily mean apprenticeships.

[213] **Mr I. Davies:** On the wider UK perspective, as I have said, a number of employers are saying that they will call this or that an apprenticeship and receive Government funding when it is just in-house training. It lasted less than 30 weeks and it was not really the kind of gold standard, vocational-based training and skills development that we would associate with the term 'apprenticeship', which is something that can take up to seven years and is a real and thorough grounding in a profession or vocation. That is what employers hold on to—they definitely see apprenticeships as a gold standard vocational qualification, and they want to aspire to and sign up to delivering the kind of training.

[214] **David Rees:** Last week, we had evidence from some young people that some of them

have not experienced that—they felt that they were being used, effectively. As a consequence, they saw apprenticeships as not being beneficial in the longer term.

[215] **Mr I. Davies:** At a very basic level, we esteem apprenticeships and apprentices less in terms of minimum wage than we do a site labourer of the same age. That is a fundamental flaw in how we value them. We had a long discussion in our office yesterday about how to deal with it and the question was raised whether we should be saying to young people, or, indeed, older apprentices ‘You will get your benefit in seven years’ time; virtue is its own reward, so just do your apprenticeship’. Society is a bit different now and if we do not esteem them through the amount of money that we are prepared to pay young people in particular—and we do value them less in financial terms than someone labouring on a site or another young person on the lower minimum wage on a site—then we cannot be surprised when, in today’s culture, they do not choose to go down that route.

[216] **Nick Ramsay:** Okay. We have a little time left. How do off-the-job training arrangements complement on-the-job training and how could it be improved?

[217] **Mr I. Davies:** Once again, this goes back to ensuring that there is a good fit between the training provider—whether that is a further education college or a private provider—and the individual needs of that learner and the business that they represent. It all boils down to the quality of the relationship between the two sides.

[218] **Nick Ramsay:** Great. Alun Ffred Jones, do you have a question?

[219] **Alun Ffred Jones:** Do I? I am not aware that I have one.

[220] **Nick Ramsay:** Okay. Therefore, Mr Davies, I will ask a question on promoting apprenticeships and community benefits clauses. We touched on this point earlier, but could you elaborate on the benefits of those?

[221] **Mr I. Davies:** To be frank, in many ways, we see that more as a benefit to a successful procurement by small business. That has been the main focus of promoting public benefit clauses that has arisen for us. It will be interesting to explore that two or three years down the road when a cohort of young people have gone through the apprenticeships as a result of successful public benefit clauses so that we can see whether that has had a longer term benefit. At the moment, it is too soon to say whether that in itself is helping apprenticeships. However, we certainly see it as aiding small, local businesses to be successful procurers.

[222] **David Rees:** I have one final question. Obviously, small businesses tend to be part of the supply chains to larger businesses; what discussions do the small businesses tend to have with partners in the supply chain and, perhaps, those at the end of the supply chain to look at how they can develop apprenticeships in that area?

[223] **Mr I. Davies:** It is about differentiating between different kinds of apprenticeship. Where the small business is in a supply chain, there is good evidence that there is competition throughout the supply chain and support being provided. When you look at professionals’ development outside large employers, it is a slightly different equation. If you are relying on oversupply, with people leaving a large employer and setting up on their own, it is probably unlikely at the moment that there will be any real connect and, once again, this is maximising the benefit of the over-supply principle. So, within a supply chain, there is dialogue, but in the wider community, I am not aware of it happening.

[224] **David Rees:** Obviously, the procurement rules will apply and community benefits are now part and parcel of that—and we are looking at those anyway—to encourage more

winners of contracts to take on apprentices. Is that something that is encouraged by small businesses? Do they look for those opportunities?

[225] **Mr Miles:** They can welcome it, but it is important that it is not used to disadvantage small businesses in comparison with larger businesses. So, if the difference between a small business based in the community or a large business coming in from outside winning a contract is an emphasis on apprenticeships, then they will obviously not see it as a benefit, but if it is part of a wider package through lotting and such issues, then it will be of benefit to them.

[226] **Mr I. Davies:** The danger is that you disadvantage a small employer that, because of the issues we have identified, do not have the capacity and have not employed apprentices, even though they may be inclined to do so.

[227] **David Rees:** Those requirements come down the supply chain as well.

[228] **Mr I. Davies:** Yes.

[229] **Nick Ramsay:** Do any Members have any further questions? I see not. Thank you, Iestyn Davies and Joshua Miles from the Federation of Small Businesses, for giving evidence today as part of our inquiry. It has been really helpful and you have provided a lot of information in your succinct answers, which will assist us in our inquiry.

11.01 a.m.

Ymchwiliad i Brentisiaethau yng Nghymru—Sesiwn Dystiolaeth Inquiry into Apprenticeships in Wales—Evidence Session

[230] **Nick Ramsay:** We continue with our inquiry into apprenticeships in Wales. I welcome our plethora of witnesses. Thank you, all, for agreeing to come here today; and thank you for your written evidence in advance, which has been helpful. It would be helpful if each of you could give us your name and job title. We will start with Helen.

[231] **Ms White:** Good morning. My name is Helen White. I am apprenticeships manager for Energy and Utility Skills.

[232] **Mr A. Davies:** Bore da. I am Aled Davies, Energy and Utility Skills' Wales manager.

[233] **Ms Drysdale:** I am Jacky Drysdale, the Care Council for Wales workforce development manager.

[234] **Ms Hayes:** I am Roberta Hayes from the Care Council for Wales. I am the director of learning and development.

[235] **Ms Welch:** I am Mel Welch from e-skills UK, and I am the pathways manager for Wales.

[236] **Mr Sishton:** Bore da. I am Peter Sishton, manager for e-skills UK in Wales.

[237] **Nick Ramsay:** That is great. We have a large number of questions for you; therefore I propose not to allow any opening statements because we have already taken most of the time. If questions are asked in Welsh, translation is available on channel 1 on the headset, which we can help you with. Also, because of the large number of witnesses, I would be grateful if, in each case, perhaps one of you from each organisation opts to answer the question in that case. The first question is from David Rees.

[238] **David Rees:** Good morning. Clearly, the funding for the sector skills is changing, as we appreciate. It has changed as of April this year. You are now looking at the employer investment fund, effectively, for projects, and there is the growth and innovation fund, which is available only in England. Looking at some of the sector skills councils that cover us, it seems that they do not actually have any Welsh directors, so I am assuming that that comes from the England side in any case. How will that affect the way in which you operate and support the development of skills in your sectors? You have projects taking place, and it is now project-driven. How will it work?

[239] **Nick Ramsay:** Who wants to take that question first? Peter Sishton?

[240] **Mr Sishton:** I will happily answer that question. The change from core funding to project funding obviously does have an impact. I think that it will affect individual sector skills councils differently. In terms of e-skills UK, we were successful in getting a number of EIF funding projects through, which builds on the work that we have already done in Wales. I will mention one key aspect that is of concern. We put in six bids and the sixth bid was the glue to everything, which involved employer engagement, labour market intelligence and stakeholder engagement, the view being that, without those three things, an SSC cannot perform in a strategic way. Therefore, having not got through that barrier—I think that it was a lack of understanding about the change in core funding—the comment was, ‘SSCs do that in any case, do they not?’. They did, under core funding, but they do not, post core funding. That left us with a dilemma, which means that we have had to go back to look at our current EIF bids for 2011 to 2014, and to look at funding that work through those pots of money. Essentially, you still have the strategic input—that is, a manager like me dedicated to Wales. The running of an employer board, for example, will continue, and stakeholder engagement will continue. We are looking to support the work that we do through labour market intelligence, which informs the work that we do, through other areas of funding, like sector priority funding.

[241] **Ms Hayes:** From the perspective of the Care Council for Wales, we have a dual function. We are funded as a regulator and a sector skills council. Again, the issue of core funding means that we rely on it to support our work in apprenticeships, and it runs through other programmes. We bid and got EIF projects as part of a partnership across the UK. The apprenticeship will be linked to the recruiting and retaining of a world-class workforce and it will use the opportunity to promote apprenticeships as routes for recruitment and retention through that, particularly in the early years sector, in view of the drive to recruit more into the early years and childcare sector.

[242] **Mr A. Davies:** Energy and Utility Skills funding has changed. We have restructured recently. Energy and Utility Skills will continue to have a presence in Wales, which is fortunate for me. The activities that I will be doing will be similar to what was previously done. We will maintain the employer boards that we currently have in Wales. We will continue to engage with the breadth of employers in Wales. However, as things change, the role may evolve in certain different directions. As EIF projects are becoming more finite in their delivery, we may have additional support in doing different things in Wales.

[243] **David Rees:** The paper from e-skills UK talks of sector-managed apprenticeships. Will the change in funding have an impact upon the view of sector-managed apprenticeships?

[244] **Ms Welch:** Sector-managed apprenticeships are very much happening in England, and we have suggested this as a potential model for Wales. Apprenticeship provision in IT in Wales is not quite at a stage where we would be able to implement sector-managed apprenticeships because we would have to ramp-up employer engagement to be able to deliver that model, as it is very employer led. At the moment, we do not have large companies

such as BT running huge apprenticeship schemes in Wales like they do in England, so that model would belong to the future.

[245] **Mr Sishton:** We are at a point where IT apprenticeships are growing. It is not a traditional route. In fact, since the 1980s, the number of IT professionals has decreased somewhat. So, with funding from the Welsh Government through the pathways programme, which creates a pool of talent at level 2, we have been challenged with trying to create growth in apprenticeship routes for those individuals to go on to. That is where our focus is now, and we have put in a sector priority fund bid to develop those level 3 routes. At the moment, we are very encouraged that there are a number of companies saying that they are very interested in going down that route. So, it is about setting up the ducks in the right order in many ways. So, we want to develop that and build on that work, piggybacking on the work that has gone on across the river.

[246] **David Rees:** Just out of curiosity, because this came from the e-skills UK paper, have other sector skills councils considered apprenticeship schemes managed by sector skills councils?

[247] **Ms Drysdale:** Not directly. You will see in our evidence that we have some concern about the dominance of learning providers and the influence they have. We would like to see more employer-led activities, and we have been doing quite a lot of work to promote apprenticeships, particularly for small and medium-sized enterprises, but it is a challenge.

[248] **Mr A. Davies:** They do not have exactly the same structure as e-skills UK has for its sector apprenticeships, but a number of our large employers have schemes. For example, if you look at Western Power, it delivers apprenticeships internally. The change in SPF and EIF funding will not change that.

[249] **David Rees:** Are the schemes in Wales too complex? We have heard from some of the businesspeople, especially from small businesses, that they consider some of the aspects too complex. Are the schemes too complex at this point in time?

[250] **Ms Drysdale:** I do not think that the schemes are complex, but the cumbersome business around the schemes is. It is about getting the right information at the right time, from the right people. Our experience is that the opportunities to do that are limited, patchy and inconsistent. A how-to-do guide for a small employer who wants to recruit an apprentice would be helpful, so that they know who they need to speak to in order to do that.

[251] **David Rees:** So, it is the support system.

[252] **Ms Drysdale:** Yes. In our view, it is more the support system than the actual processes.

[253] **Ms White:** That is certainly the case in our sector as well. The apprenticeship frameworks are developed to meet the requirements of employers, so, from our understanding, they are fit for purpose. However, the landscape is fairly complex and employers need some support in trying to understand how to navigate their way through the processes.

[254] **Mr Sishton:** I completely back what the other sector skills councils have said. There is a need for a how-to guide for companies, and the employer board for e-skills UK in Wales consistently feeds that back. That is a barrier to engagement and we are working on that to demystify the system. There needs to be awareness through Careers Wales and information, advice and guidance practitioners. More importantly, we see that there is inflexibility in the system that does not allow funding changes to allow for changes in demand. So, for example,

there is a growth in the e-skills sector—the sector is growing five times faster than any other sector in Wales, with 3,000 jobs created a year. We are looking at developing higher-level apprentices, because these are very highly trained individuals. Employers are looking to attract younger people, along with adults, because they come with a different skills set. We have a real need for certain skills in IT right now, given the exponential growth in IT applications and mobile apps. Employers are looking to get more mature individuals through. There is an issue with the focus on 16 to 24-year-olds; we want to see some growth in the ability to look at adults. The funding allocations up to 2014 mean that the colleges and training providers cannot flex around that system. So, where there is growth, we cannot find the demand. However, we are looking at ways of doing that.

[255] **Eluned Parrott:** According to evidence that we have received this morning from Careers Wales, higher apprenticeships are described as not a priority for the Welsh Government. However, according to e-skills UK paper, ensuring that we have the necessary skills to develop our economy in this direction is important. Can you iterate why they ought to be a priority?

[256] **Mr Sishton:** IT is an enabler in Wales; it is a priority sector. I have just explained that the expected growth in the sector is five times faster than in any other. We need to grow that, not just within IT, but across sectors. IT professionals are everywhere and IT is an issue that affects every sector. Exploiting IT would mean £1.2 billion gross value added for Wales over the next few years, so it is a huge prize if we can tackle the issue of pipeline talent. It is about attracting able students—young people in particular—into the sector. Employers very much want higher-level skills—levels 3, 4 and beyond. In the meeting that we held a couple of weeks ago, the employer board unanimously said that it would back higher-level apprenticeships. Is that right?

[257] **Ms Welch:** Yes. I would add that employers are currently finding that graduates do not have the relevant skills, so they are starting to look at other recruitment routes for those higher-level skills. Higher-level apprenticeships for our sector are a priority.

[258] **Mr Sishton:** A lot of students are now thinking twice about going into higher education, so another route into employment would be good.

[259] **Nick Ramsay:** That is great. I think that Jacky Drysdale has something to add.

[260] **Ms Drysdale:** You will see from our evidence that we have an issue in relation to the word ‘apprenticeship’ at a higher level, because if you are trying to attract, or retain, people, then attaching the word ‘apprenticeship’ potentially works against you. So, we have been working with the policy team in apprenticeships for some time, trying to promote the notion of a professional framework that would bring in those people with higher-level skills and enable us to retain and train people with higher-level skills in pushing forward the whole professionalisation of the workforce agenda, which the Welsh Government is pushing forward in our sector in particular. In that way, the professional framework would really help us and the removal of that notion of apprenticeships.

11.15 a.m.

[261] **Ms White:** To provide the perspective of the energy and utilities sector, there is a huge demand for higher-level skills. At the moment, there is a skills gap at that level, and there are some key drivers for higher-level skills. As the infrastructure ages and we move towards a low-carbon economy and need to embrace new technologies, employers need to have the skills to put these into place.

[262] I support what Jacky said about the branding of apprenticeships. Obviously, they

need to be branded as apprenticeships to get through the AFO in the issuing process, but employers are not necessarily going to use that terminology to attract the calibre of people that they need to fulfil these roles.

[263] **Alun Ffred Jones:** I want to go back to the issue of the frameworks and the submission by Airbus. It said that the frameworks are

[264] ‘very restrictive, inflexible and not as responsive as employers require’.

[265] Do you support that view?

[266] **Mr Sishton:** The frameworks need to be agile. We need to be able to update them, particularly in our sector, because technology is moving at such a pace. Frameworks are integral to everything that we do. For example, all of our sector skills bids include the development of those frameworks so that we can flex according to the needs of the industry. It is important that sector skills councils are funded to develop those frameworks on a regular basis.

[267] **Mr A. Davies:** I disagree with the Airbus comment. I believe that the SASW framework is quite flexible. I believe that SASW is a step further forward than the SASE framework in England, particularly with regard to additional employer requirements. The fact that we can get CPD or industry passports accredited through QALL on the CQFW—excuse the jargon, if you are not used to it—

[268] **Nick Ramsay:** We are used to jargon. *[Laughter.]*

[269] **Mr A. Davies:** The opportunity for us to add things for Welsh employers through SASW is key for us.

[270] **Ms Drysdale:** We would agree with that.

[271] **Joyce Watson:** There will be people out there who are not used to jargon. At least in the first instance, could you use the full name? Otherwise people are going to leave at the end of this having to find an explanation for what you are trying to say today.

[272] **Mr A. Davies:** Okay.

[273] **Nick Ramsay:** I think that you are doing just fine.

[274] **Joyce Watson:** They are not.

[275] **David Rees:** On the branding side of things, I understand the concept of the professional level. I have seen that elsewhere with regard to professionals, postgraduates and so on. However, is there a possibility that people are not branding apprenticeships properly in the sense that they do not understand the difference between apprenticeships and training? I mentioned this earlier. There is a difference between a training package or whatever and the development of an individual. Are businesses perhaps also failing to brand apprenticeships properly in that sense?

[276] **Ms Drysdale:** It is certainly true in respect of our sector. Health and social care, early years and childcare are not a traditional apprenticeship craft-type sector. From our evidence, you will see that our indication is that employers are very often unaware that they are using apprenticeships, because it is so learning-provider-driven. Learning providers pitch up and say, ‘We’ve got this really great guy. Will you take them on? If you will, we’ll train a couple of your staff for free’. However, they are using an apprenticeship framework to do that.

Therefore, that is a problem that is a branding issue. We are very keen to increase the brand of apprenticeships, particularly for levels 2 and 3, but we see some difficulties with that beyond level 3.

[277] **Ms White:** Apprenticeships are a traditional method of training and recruitment in the energy and utilities sector, so, predominantly, the term ‘apprenticeship’ is widely understood. However, I am sure that there are situations with less scrupulous providers, of which I hope there are a few in our sector, that may not be branding things appropriately.

[278] **Ms Welch:** It is certainly an issue for our sector. Within the whole branding of apprenticeships, it has always been seen very traditionally as a way of getting low-calibre learners trained, and that is really not the case for IT. With our apprenticeship schemes we require quite a high calibre of learner, and the skills that they learn on that apprenticeship are very high-level skills. So, for us it is really about rebranding apprenticeships as a whole not to be seen as an oily-rag kind of training.

[279] **David Rees:** I have another point, although only for e-skills—the others can have a rest. IT covers a wide range, and you mention in your paper the difference between IT users, professionals and developers, but there is also IT in the digital creative world. You cover a wide range in that sense, do you not? That is one of the problems that we may have in looking at this—the skills required cover such a wide range.

[280] **Nick Ramsay:** At whom are you directing that question, David?

[281] **David Rees:** At e-skills.

[282] **Mr Sishton:** We see them as separate, so IT professional apprenticeships, as we say, are a new breed, which we are keen to promote as attracting high salaries and entry to an industry that is growing and is exciting. Funnily enough there is an issue about the funding around those, because IT professionals actually come in at a lower cost than the IT user. That is a bit of an issue for us that we would like to see addressed. We would like to see IT user apprenticeships changed into more of a specialist role, because we see that there are individuals within companies who are using IT intensely to support the workforce. We would like to see that change, so that it is not just about the IT user, but about IT support, advice, networking and stuff like that.

[283] **Byron Davies:** I would like to turn to the characteristics of apprenticeships. One of the fascinating aspects of this inquiry has been the age profile of apprentices in different sectors. I was particularly interested to read the care council’s evidence, which says that its sector uses more apprenticeships to support workforce development than it does to recruit staff. It does not have a typical apprenticeship profile. I would like you to expand on that, please, to start with.

[284] **Ms Drysdale:** If you look at the national apprenticeship profiles, they are traditionally male and traditionally younger people. Our sector is very much female dominated, so our apprenticeships are female dominated. Only 13.4% of our apprentices in Wales last year were male, so it is quite a different spread. You will also see from the evidence that our eldest apprentice to be certified last year was 65. There is a huge spread in our sector, and we have significantly older people, largely because they are already working in the sector and are undertaking their training by means of an apprenticeship funding route.

[285] **Byron Davies:** I saw that the average age was 38, I believe.

[286] **Ms Drysdale:** It is about 38, yes.

[287] **Byron Davies:** Should more priority be given to 16 to 24-year-olds, do you think?

[288] **Ms Drysdale:** That is a difficult one for us. We are caught on the horns of a dilemma, to some extent. We have an ageing workforce and we desperately need to recruit more younger people. We are very keen to do that. At the same time, the vast majority of those who deliver care in our sector are smaller microbusinesses that are struggling for funding, and they contribute to the economic regeneration of Wales by virtue of carers being able to work and parents being able to leave their children. We do need to retain the people who are in the industry already, so the balance that we have at the moment suits us. As to answering one way or the other whether the priority should be on 16 to 24-year-olds, to some extent the funding targets already place it there, but we have managed so far to retain a balance in our sector.

[289] **Byron Davies:** What about developing the skills of existing employees and recruiting new apprentices?

[290] **Ms Drysdale:** Sorry, I do not quite follow that.

[291] **Byron Davies:** You talk about balance, and I asked about the balance between developing the skills of existing employees and recruiting new apprentices.

[292] **Ms Drysdale:** That is why we quite like the ability at the moment to have significant numbers of over-25s trained using the apprenticeship scheme. Those tend to be people who are already working in the industry. So, the push for people aged 16-24 will undoubtedly help our recruitment opportunities, particularly in relation to the early years sector, where there is a growth in demand. Again, to support the Welsh Government's policy around Flying Start we need significant numbers of new workers, and we hope that they will come from that 16 to 24 age range.

[293] **Ms Hayes:** Just to reinforce what Jacky said, the importance is that we need people who are able to do homecare and so on locally. Therefore, very often, you are attracting adults who are coming back into work, such as women returners. So, you need to upskill them in the skills that they need to deliver things. The apprenticeship route for those sorts of people is valuable to us, as well as addressing the other priority that the Welsh Government has in attracting younger people into business, who will more likely to go into the early years and childcare sector.

[294] **Eluned Parrott:** I want to ask a little about the issue of employers apprenticing existing employees. One potential concern with this is that, if those opportunities are not openly advertised, it seems that people are falling into an apprenticeship rather than positively choosing apprenticeship as a route to a profession. That may close down the opportunities for young people as well as increase the esteem problem that apprenticeship has. What do you feel that the dangers of that approach are? How do you think that that could be best tackled?

[295] **Nick Ramsay:** Who wants to take that? Jacky Drysdale.

[296] **Ms Drysdale:** Thank you. *[Laughter.]* They are difficult questions. You have actually hit the nail on the head: there is a real problem because, in our view, it is learning provider driven. Learning providers are the people who have the funding. Learning providers in our sector are the people who are recruiting apprentices and then turning up, knocking at employers' doors with people who the employers may deem as not suitable at all and saying, 'Please can you take this person'. That has been aggravated by the introduction of the traineeship scheme in the past 12 months because learning providers are working with young people for a full year. They have a relationship with them; they are reluctant to let them go and they are anxious to get them into an apprenticeship. That is a problem. Part of the trade-off for these learning providers placing these apprentices with employers is, 'If you take this

person, we will train two of your staff for free through the apprenticeship programme'. So, the whole thing feeds itself, and it is undoubtedly a problem that challenges the apprenticeship brand.

[297] **Eluned Parrott:** Is this something, in your view, that is detrimental to the quality of the product that is being offered to apprentices?

[298] **Ms Drysdale:** I would like to see, as I said in the written evidence, a greater partnership between learning providers and apprentices, right from the selection process. If you look on the Careers Wales matching site, as I did yesterday, there are only 31 vacancies for apprenticeships across the whole of Wales across all sectors, and two of them are in our sector. Those people have already identified learning providers because that is the advice that we give them because, if they then try to recruit and then go to a learning provider and say, 'We'd like to have an apprenticeship, please', the learning provider will say, 'That's fine; we can take you in September'. They are then left with an apprentice to amuse until September, until they can get any access to funding. It also shuts down other funding routes, like the Young Recruits scheme, to them, because the Young Recruits scheme means that people have to be in an apprenticeship for the first few weeks.

[299] **Nick Ramsay:** That is clear, Jacky; thank you.

[300] **Alun Ffred Jones:** Yn gyffredinol, yn eich profiad chi, a yw pobl ifanc yn meddu ar y sgiliau llythrennedd a rhifedd a'r sgiliau meddalach sydd eu hangen ar gyflogwyr?
Alun Ffred Jones: Generally speaking, in your experience, do young people have the literacy and numeracy skills and the softer skills that are required by employers?

[301] **Mr A. Davies:** Nid yw'n broblem fawr yn fy maes i.
Mr A. Davies: It is not a big problem in my field.

[302] **Alun Ffred Jones:** Beth am y sectorau eraill?
Alun Ffred Jones: What about the other sectors?

[303] **Ms Drysdale:** Absolutely; Essential Skills Wales has real issues to do with literacy and numeracy across all the sectors and, certainly, for recruitment of younger people, particularly through the Welsh language.

[304] **Mr Sishton:** Our sector employs a higher level, so there does not tend to be an issue at the higher level.

11.30 a.m.

[305] **Mr A. Davies:** Dywedais nad oes problem yn y sector. Nid oes problem yn y sector o ran prentisiaethau yn unig; mae'r broblem yn bodoli ar draws y sector. Nid yw wedi'i gyfyngu i bobl ifanc yn unig; yn brentisiaid ai peidio, mae problemau.
Mr A. Davies: I said that there was no problem in the sector. There is not a problem in relation to apprenticeships alone; the problem exists across the sector as a whole. It is not limited to young people; whether they are apprentices or not, there are problems.

[306] **Alun Ffred Jones:** Gan eich bod chi wedi cyfeirio at yr iaith Gymraeg, o fewn eich gwahanol sectorau, ydych chi wedi trio mesur neu ddiwallu anghenion cyflogwyr o safbwynt siaradwyr Cymraeg?
Alun Ffred Jones: Since you have referred to the Welsh language, within your various sectors, have you tried to assess or meet the needs of employers in terms of Welsh speakers?

[307] **Mr A. Davies:** Mae gennym fodd o wneud pethau drwy gyfrwng y Gymraeg ac mae gennym ddarparwyr i gynnal cyrsiau yn Gymraeg, ond nid oes cymaint â hynny o alw amdanynt—mwy yn y sector gwastraff na'r meysydd eraill.

Mr A. Davies: We have means of making provision through the medium of Welsh, and we have providers running courses through the medium of Welsh, but there is not that much demand for them—there is more in the waste sector than the others.

[308] **Ms Drysdale:** Everything we do and every bit of material that we produce is done bilingually. That includes lots of support materials. We have worked with a number of organisations, particularly Mudiad Ysgolion Meithrin, for example, in supporting the development of their training and education. They work closely with us in ensuring that everything that we do meets the needs of Welsh speakers. We have recently had a strategic study done, looking at the need for Welsh-language provision across the service delivery aspects, particularly in health and social care, and we will be taking forward activities to try to address some of those particular issues.

[309] **Mr Sishton:** The professional IT sector operates very much with English as the global language, and will always come back to that. However, in terms of IT user skills, that is a different matter completely, and we have worked with the Welsh Government to develop our ITQ, which is the IT user qualifications, in Welsh. We developed those a couple of years ago, and they are now available. We also developed an IT user apprenticeship in Welsh through CADCentre UK, which is going very well. We have found that that works very well with the public sector to date.

[310] **Alun Ffred Jones:** Mae gennyf un cwestiwn arall, ynglŷn â chwmnïau bach neu ganolig eu maint. Mae'n ymddangos i mi fod y drefn prentisiaethau yn gweithio yn eithaf da gyda chwmnïau mawr oherwydd eu maint, eu gallu i brosesu a'u harbenigedd, ond mae hi'n anodd i gael cwmnïau bach i gymryd prentisiaid. A ydych chi'n mesur angen cwmnïau bach, a beth y gellir ei wneud i geisio helpu'r cwmnïau llai i gymryd prentisiaid?

Alun Ffred Jones: I have one other question, on small and medium-sized enterprises. It appears to me that the apprenticeships system works quite well with large companies, because of their size, their ability to process and their expertise, but it is difficult to get small companies to take on apprentices. Are you gauging the need of small companies, and what can be done to try to help the smaller companies to take apprentices?

[311] **Nick Ramsay:** Who was that directed at, Alun Ffred?

[312] **Alun Ffred Jones:** Anybody who wants to take it.

[313] **Mr A. Davies:** Yn ein sector ni, y cwmnïau bach sy'n cymryd prentisiaid yw'r cwmnïau ym maes nwy, sy'n eu defnyddio fel plymwyr. Yn draddodiadol, dyna'r ffordd y mae pobl wedi dod i mewn i'r sector—drwy Corgi flynyddoedd yn ôl neu Gas Safe heddiw—ac nid oes angen inni eu denu. Ar yr ochr arall, gyda'r sectorau mwy o faint, nid oes cymaint o bobl yn cymryd prentisiaid.

Mr A. Davies: In our sector, the small companies that take on apprentices are the gas companies, which take them on as plumbers. That was the traditional way for people to enter the sector—through Corgi years ago or Gas Safe today—and there is no need for us to attract them. On the other side, with the larger sectors, there are not as many people taking on apprentices.

[314] **Ms Drysdale:** We have had mixed success in doing this. In the early years and childcare sector, for instance, we have 400 employers, most of whom are small employers, who take apprentices. I think that is because we have worked hard to support the importance of apprenticeships, not only in terms of business development, but in terms of the whole contribution to the community of learning for young people. However, we are now hearing

about difficulties from people in that sector; for instance, there is a small nursery in Wrexham that has traditionally taken 10 apprentices a year, but could only recruit three this year, because young people were staying on at school. There is some difficulty around, particularly for small businesses when other things begin to kick in, within a system that otherwise appears to be working quite well.

[315] **Mr Sishton:** It is new to our sector and we are growing that. So, yes, it is true that the larger companies are involved. However, through our sector manager scheme, which is going on as we are developing our level 3 apprenticeships, we are looking to work with the SME sector, using internal training, innovative support for SMEs and the National Skills Academy for IT, for example, and identifying bespoke routes for SMEs. That is something that we are looking at developing through our level 3 apprenticeship route, which is with the Welsh Government at the moment.

[316] **David Rees:** On the skills of the entrants, clearly across the sectors there will be slight variation in terms of what skills you are looking for, but do you find that that is one reason why businesses are taking people on without offering an apprenticeship and then perhaps looking at developing their training afterwards? Has Pathways to Apprenticeships changed the skills levels of people coming in at a certain level, and are people looking at that as a way of developing their basic skills and seeing where they can go from there? That is for all three sectors.

[317] **Ms Drysdale:** We have not been involved in Pathways to Apprenticeships. We continue to try to support the traineeships in the level 1 and level 2 entry routes. We have not been involved in Pathways to Apprenticeships because we do not have suitable qualifications at that lower level in order to be able to support that activity. We undoubtedly remain concerned about the essential skills of entrants and we are increasingly concerned that changes in society are reflecting life-skill deficits in youngsters coming forward. For example, we have a residential nursing home telling us that it cannot recruit a young person who can make a bed. They cannot recruit younger people in early years and childcare who can play creatively with kids naturally because they are used to playing with electronic media and so on. So, even those very basic skills have come to the fore in terms of needs for us recently.

[318] **Mr A. Davies:** In our sector, we have not experienced people going through Pathways to Apprenticeships. The primary reason for that is that although we have an apprenticeship that we support with Cogent, we have an issue with the work experience side of it, particularly at that young age: due to the nature of power stations and the equipment that people use, there is an age restriction on many of the areas and that means that they cannot do meaningful work experience, and that is why our employers are not using that programme.

[319] **Ms Welch:** We are in the first year of our Pathways to Apprenticeships programme and we have found a varying calibre of learner being taken on to the programme across level 2. We are yet to see how that will pan out in terms of whether the PtA programme in IT has really given those learners the skills they need to progress on to a level 3. So, it is very much a case of wait and see for us, but we know that there has been a real problem recruiting to existing IT professional apprenticeships at that very low level. There has been a real problem getting learners with those skills in particular. On business skills, we feel that work experience is the key to giving them those skills.

[320] **David Rees:** May I ask a question of e-skills UK? This is something that I am interested in. Numeracy and literacy have been discussed, but clearly there is also the issue of IT and programming skills in your field. Do you feel that pupils coming out of schools are lacking in those skills and that we should look at that and at the logical-thinking side of things too?

[321] **Mr Sishton:** On the IT user, we have a lot of digital natives out there, but the issue for us is their ability to exploit technology to the full, given that they are preoccupied with what goes on in front of the screen rather than behind it. That is a major issue for the economy. We are looking at developing that curriculum at GCSE, for example, to take programming and coding and put it firmly into the schools; it is called 'Behind the Screen'. That is one thing that we can do and we are working to develop that new GCSE. On IT, it is about attracting talent in that way. The issue is about taking those individuals and encouraging them to have a pathway, and to do a suitable curriculum and then have teachers who have the ability to deliver that curriculum, essentially.

[322] **David Rees:** I have seen IT—[*Inaudible.*—]computer levels go from programming to IT users and the loss of that other background, so I would just like to confirm what you were thinking.

[323] **Joyce Watson:** May I ask a quick question about Behind The Screen teaching and the ability of individuals to deliver that? If it is currently missing from the classroom, there might be a reason, which might be the one that you just identified. So, how much of a barrier to delivering that high-end teaching or training do you perceive that to be currently?

[324] **Nick Ramsay:** May I apologise for the noise in here? That high-pitched whining is not an animal trapped somewhere. I think that it is coming from the air conditioning on one side of the room.

[325] **Mr Sishton:** It is okay. Continuing professional development for the ability of teachers to deliver the curriculum is key. We are not shying away from it. We have to work with local authorities and the Welsh Government to address this. We have seen in the past the train crash that was the principal lines of learning, which was a diploma in England that we tried to bring in. It had a rich, employer-led curriculum but it did not fly because of a number of issues like the ability of teachers to teach it. So, with the introduction of Behind the Screen and this new GCSE, a lot of teacher resources are online to support current teachers, but we have to look at developing those skills within teacher training, for example. We need to take forward a host of interventions while looking at innovative ways of upskilling the teachers who are currently in the workforce.

[326] **Ms Drysdale:** Quickly, I just want to support that point and say that we have exactly the same issues. We believe that that feeds into some of the quality issues that we identified in our evidence, because we still suffer, sadly, from the old attitude of, 'If you're not very bright, it's hair or care'. That is horrendous when you think about the responsibilities placed on the people who look after the most vulnerable in our society, and it is one of the reasons why we are so keen to upskill the profession and increase the status of our learners.

[327] **Nick Ramsay:** The gremlins in the air con seem to have been fixed in time for Julie James's question on the barriers to apprenticeships.

[328] **Julie James:** Quite a lot of this has been covered, really, but to explore a little more about the whole issue of status and quite what we mean by apprenticeships, we have had quite a lot of mixed evidence this morning. Some people think that an apprenticeship means that you start to learn something and you come out the other end as something: a plumber or an IT professional or something. Other people seem to be using 'apprenticeship' to mean any old in-house training that they happen to have come across. What is your perception across the skills councils of that issue? Is that an issue?

[329] **Ms Drysdale:** It is certainly not an issue in our sector. Our apprenticeships are based on the achievement of the required or recommended qualifications for the industry in our

sector. So, young people or anyone who completes an apprenticeship in our sector leaves with a recognised qualification that enables them to practise as a practitioner. That is only the start of the process, though, and CPD needs to continue.

[330] **Julie James:** So, in my badly articulated model, they come out as something at the other end.

[331] **Ms Drysdale:** They do indeed.

[332] **Julie James:** Is that the case in the other two sectors?

[333] **Ms White:** In our sector, apprenticeships are developed by employer-led working groups and they are developed specifically to define what is required for job competence in a particular role. So, an apprentice will go through the programme and then come out as a linesperson or a cable joiner, for example. There would potentially be a period of time after the apprenticeship was completed in which they were mentored or there was an opportunity to embed their skills, but they would have a trade.

[334] **Ms Welch:** I would support that as well. We are also looking at a programme of gold-standard apprenticeships, which takes the existing apprenticeship framework and adapts it slightly for several job roles. So, employers looking for an IT technician would follow a bespoke framework, rather than following a standard framework, and it would have bespoke units to come out with a particular job role at the end.

11.45 a.m.

[335] **Julie James:** You all spoke about the perception problem and about the status of apprenticeships and so on. So, if you come out with these recognised qualifications, what is the problem? What is the barrier there?

[336] **Mr A. Davies:** For us, the only potential status problem would be more at a higher level, and it is to do with how it is branded. If it is branded through our schemes as higher-level apprenticeships, that is great, but it might not be the best terminology to use with employers for people coming into the higher levels.

[337] The other side of this is that they do have a currency. If you look at people in the industry, you will find that many have progressed from apprenticeships. Talk to people at senior and middle management levels and you will often find that they started as an apprentice. So, it does have currency in our sectors.

[338] **Ms Drysdale:** The issue of status for us is less about the brand of apprenticeships and, sadly, more about the status afforded to care in society more generally. Again, I would support what Aled said about higher-level apprenticeships, and the introduction of the professional framework would be very beneficial.

[339] **Mr Sishton:** As I said before, apprenticeships for our sector are new, so we see them as a good opportunity to start off on the right foot, with the pathways programme creating these level 2 apprenticeships and with level 3 coming through the gold-standard routes engaging employers.

[340] One of the barriers that we have not covered, which is really important, actually, is that our sector is only 17% female. That is a huge issue for our sector in recruiting young people, because we are missing out on a huge pipeline of talent. So, it is females' perception of the sector that we have to address.

[341] It is about taking those individuals as they go through the programme, getting employers to promote apprenticeships as being of high value and leading to high-value jobs, and taking role models and showing advisers, parents, teachers, lecturers and so on that it is a growing sector. That is the way forward for us.

[342] **Joyce Watson:** Can I ask a small question about that?

[343] **Nick Ramsay:** I just want to bring Eluned in first, to ask a supplementary question, and then I will bring you in, Joyce.

[344] **Eluned Parrott:** I want to ask how the transferability of skills has an impact on the attractiveness of apprenticeships to the most talented young people. There is a perception that if you are trained to perform a specific technical role that is very much led by the employer, as described by Helen, should the employment cease or the employer move or go out of business, the skills are not sufficiently transferable to other careers. Do you think that that is a real danger, or do you think that it is a problem of perception?

[345] **Ms White:** That is probably less of a problem. While apprentices are trained to do a particular job role, a lot of the skills that they learn will be generic—perhaps not throughout the UK economy, but they would be applicable across the sector, certainly the energy and utility sector. As my colleague, Aled, explained, there are significant progression opportunities. So, while there could be a small risk, I do not think that it is a problem.

[346] **Ms Hayes:** I do not think that the transferability of skills is an issue, really, within care. We would like to encourage people to move into different areas of care, if they wish to progress their career, so the transferability of skills would certainly not be a big issue for us.

[347] **Mr Sishton:** It is certainly not an issue for us. The skills that we are talking about are very current. Once individuals are in the sector, because of its very nature, they are constantly updating their skills. However, we find that those individuals are not moving.

[348] **Nick Ramsay:** Do you want to finish your question, Julie?

[349] **Julie James:** I think that Joyce wants to come in on the issue of gender, so I will leave that to her. However, I do want to follow up one thing on this issue of status. I take slight issue with your comment that apprenticeships are new in the electronics industry, as my 54-year-old husband started as an apprentice in IT, and he has been running his own business for years on the back of that. So, they have been around for quite a long time.

[350] **Mr Sishton:** There are not many.

[351] **Julie James:** There are not many, but I do not think that they are new. However, that leads me on to my question. Do you think that one of the barriers in schools to children taking up apprenticeships is the easier choice of higher education? In addition, there is the issue of career progression and young people's perception of what an apprentice might become. Do they have the perception that once apprentices have qualified at one level, they can progress, or do they perceive them becoming something and then just sticking to that? That is my perception, as you can tell from my question.

[352] **Ms Drysdale:** That is absolutely right, particularly in our sector, where apprenticeships are relatively new. We are not part of the old craft industries, where they are more highly valued. I do not think that it is just young people, but the educationalists and the parents, and, I am sad to say, I think that it also relates to some Careers Wales advisers.

[353] **Mr A. Davies:** In our sector, the apprenticeship routes are quite well recognised. The

challenge is the scope of Careers Wales and the number of sectors that it covers. It raises the question of whether it understands the progression routes in different areas. That is a slightly different issue, but the challenge to us all is to get that information across to every careers adviser, and that is a huge challenge.

[354] **Nick Ramsay:** Would you like to add anything, Peter?

[355] **Mr Sishton:** I would completely back that up. There are IT professional routes, but, as I have said, they are few and far between. It is a matter of getting the message out there that the sector is growing. For example, one company said a few weeks ago at our employer board that it wants to take on 40 apprentices. That is great, but it is a matter of getting back to the schools and changing the mindsets of parents, advisers and teachers so that they realise that times have changed. You have to look at where the jobs will be in the future. It is about an exciting apprenticeship route, a pathway that could lead to jobs that do not even exist at the moment. So, it is about using careers websites, such as BigAmbition Wales for IT, as tools for advisers, teachers and lecturers to use in getting that message across to all their pupils.

[356] **Julie James:** I have one last question. Are you feeding all the employer information that you are giving us back to the learning institutions? We have heard a slightly different view from that end than we are getting from you.

[357] **Mr Sishton:** From e-skills UK's perspective, we have many ways of working with the stakeholder communities. So, e-skills UK has an annual conference, for example, which we hold for higher and further education, and we hold regular meetings with departments within further education. For example, we are working with the pathways programme. This year, we are working with the ICT panel on an ICT summit. So, that will cover all things skills as well as everything digital. It is a matter of getting that message across. From our point of view, we have a good dialogue.

[358] **Keith Davies:** You want people with high skills levels, so what about sponsorship? You talked about level 3 earlier. When Airbus was here a few weeks ago, it told us that it was paying a wage to the apprentices at level 3. What about sponsorship at those levels? If companies want the best people—and with students having to take out loans that their parents have to pay back—is that not a way through for some companies?

[359] **Mr Sishton:** It could be, certainly for the larger companies.

[360] **Ms Welch:** We have already had a couple of large employers, such as the European Aeronautic Defence and Space Company, which has decided that it wants to run apprenticeships. There are very small numbers, but it has taken it upon itself to pay for the development of that apprenticeship framework and that apprenticeship programme to run within that company. We have met the training provider who was involved in the programme to see how we could extend that to other employers. That is something that we are just starting to look at now.

[361] **Keith Davies:** Could you give us that information, because it would be quite useful?

[362] **Ms Welch:** Yes.

[363] **Nick Ramsay:** We are into the last five minutes or so, so I will move on to Joyce Watson and then Ken Skates.

[364] **Joyce Watson:** I will quickly ask you about gender, and I will direct this question to you in particular, Peter, because you said that yours is a new and developing area of employment and training. I see that you are working with Chwarae Teg, which is fantastic.

So, how are you feeding that back to where it needs to start, right at the beginning, to ensure that you do not end up with the divide that we know exists in 1% in one case and around 80% in another?

[365] **Mr Sishton:** There are a number of interventions that we are undertaking, but it is a hard nut to crack. Our research shows that it is in year 6, at the end of primary school, that girls make up their minds that IT is not for them. They think that it means beards and earrings, and all the stereotypes that come to mind about IT professionals. We go in at year 6 with a programme called Computer Clubs for Girls, which was funded by the Welsh Government for a year a few years ago. It is supported by employers. Employers put the software onto the web, we have developed some learning around that and it is running in a number of schools. Swansea local authority has funded a few schools and Pembrokeshire has funded a few schools. Employers have supported some schools—BT and Hewlett-Packard have sponsored a few orphan schools, as they call them. About 30 schools in Wales are taking Computer Clubs for Girls and it changes girls' perceptions of IT. That is one intervention. The problem is that you might turn an individual on to IT, but they might then do a GCSE that is not necessarily fit for purpose. That is why we are looking at developing Behind the Screen, which is an exciting programme that young people can do that blends business and programming skills.

[366] We also have the BigAmbition website, which includes female role models. We are working with Chwarae Teg to help promote IT careers to young girls and women. We are using a number of interventions, but it is a slow burner.

[367] **Ms White:** I have a quick comment—[Inaudible.] People do not grow up thinking, 'I want to work in the waste industry' or 'I want to work in the power industry'. Through the employer investment fund, we have been lucky enough to secure some funding to work in a green ambassador role with other stakeholders. Part of that work will be going into schools to help to educate young people about the opportunities that exist.

[368] **Ms Hayes:** Our agenda is the other way around. As they were talking, I was thinking that they could have the girls who would have come to us and we could have the men who would have gone to them, because we need more men in our sector.

[369] **Ms Drysdale:** Our numbers have increased from about 3% eight years ago to 13% now, so we are making some progress.

[370] **Nick Ramsay:** Your line of employment is traditionally an area where there has been a clear difference in the past. You said that it was 3%.

[371] **Ms Drysdale:** Yes.

[372] **Nick Ramsay:** We are into the last few minutes, so I ask Members to be succinct, and feel free to be as succinct as you want with your answers.

[373] **Joyce Watson:** You have answered a great deal on this sector. How can the process of accrediting apprenticeship frameworks be improved?

[374] **Ms Drysdale:** Having the SASW framework finalised as soon as possible, please. We have been working with the draft now for about 18 months, so it will be great to have the final version.

[375] **Ms White:** I would support Jacky's comments. We have now had sight of what we anticipate the final version will be. We are keen to accelerate the process.

[376] **Mr Sishton:** We completely support that.

[377] **Nick Ramsay:** Joyce, have you finished your questions?

[378] **Joyce Watson:** I think that they have been answered.

[379] **Kenneth Skates:** How could the relationship between training providers and employers be improved? I infer from the evidence from the Care Council for Wales in particular that it is not quite as effective as it could be.

[380] **Ms Drysdale:** I think that it would improve the process significantly if it could be written into learning providers' contracts that they need to work more effectively with employers from day one. At the moment, they have all the power because they have all the money.

[381] **Ms Hayes:** We have models in other areas. In the degree in social work and other areas in which we work, there are employer partnerships, and employers are a key part of the whole thing. There are models for doing that.

[382] **Nick Ramsay:** I thank all the witnesses from the various organisations for giving evidence today to our inquiry into apprenticeships in Wales. It has been extremely helpful and you have provided a great deal of information. You have made my job very easy today with the way in which you answered, providing information in a very clear and understandable way. Thank you for co-operating with the committee. If you think of anything else that you would like to feed in to the inquiry, feel free to contact us. Thank you for being here today. Diolch yn fawr.

[383] I close this session and remind Members that we are meeting again at 1 p.m..

*Daeth y cyfarfod i ben am 12.00 p.m.
The meeting ended at 12.00 p.m.*