



**Northern Ireland  
Assembly**

---

**COMMITTEE  
FOR EMPLOYMENT  
AND LEARNING**

---

**OFFICIAL REPORT  
(Hansard)**

---

**Inquiry into the Way Forward for  
Apprenticeships**

7 October 2009

**NORTHERN IRELAND ASSEMBLY**

---

**COMMITTEE  
FOR EMPLOYMENT  
AND LEARNING**

---

**Inquiry into the Way Forward for Apprenticeships**

---

7 October 2009

**Members present for all or part of the proceedings:**

Ms Sue Ramsey (Chairperson)

Mr Trevor Clarke

Rev Dr Robert Coulter

Mr David Hilditch

Mr William Irwin

Mr David McClarty

Mrs Claire McGill

Mr Pat Ramsey

**Witnesses:**

Ms Nuala Kerr ) Department for Employment and Learning

Mr Des Lyness )

**The Chairperson (Ms S Ramsey):**

We now turn to the inquiry on the way forward for apprenticeships. Before I invite Nuala and Des to take us through the process, I will update members on a meeting that the Committee Clerk and I had yesterday with Nuala, Des, the Minister and one or two others. We discussed some of the points that were raised in Committee regarding the programme-led apprenticeship (PLA) scheme. The Committee had recommended in its report that the scheme be employer-led, so we raised concerns about the fact that it was programme-led. We mentioned the insufficient consultation with the industry on the scheme before it came into operation. We also referred to

the suggestion that the scheme's budget might be better spent keeping existing apprentices in employment and subsidising apprenticeship places with employers.

The Minister said that the scheme did not represent a knee-jerk reaction to the recession but was a response to a reduction in the availability of apprenticeship places. He stated that he had asked officials to examine the situation and present him with possible options.

The Minister restated his belief in the employer-led apprenticeships. However, he highlighted that it had been clear for some time that the number of employer-led apprenticeships that would be available from September would not meet the demand and that an alternative had to be sought. He described the PLAs as a response to a crisis. The Minister confirmed that more than 2,600 participants are now enrolled on PLAs and that they will be trained to at least level 2. From there, they will be able to move readily to an employer-led apprenticeship when there is an upturn in the economy. He highlighted that it is also possible to begin level 3 on a PLA.

We discussed many of those issues and asked the Minister whether he believed that the colleges could cope with the uptake and whether the scheme provides sufficient experience to its participants. The Minister's response was that the scheme is being run by more than 50 training providers in addition to the colleges. He confirmed that the scheme will be subject to the same Education and Training Inspectorate (ETI) inspection regime as full apprenticeships.

I suggested that the Minister make a statement to the Assembly. In fairness, he agreed, and, all being well, he hopes to do that in the week beginning 19 October. The fact that more than 2,600 people have enrolled on the scheme shows that we must deal with the issues. In parallel with the Committee's work, the Minister's statement will give other Members an opportunity to question him further. We agreed to the Minister's request to pass on to his Department any concerns that emerge in Committee prior to 19 October, on the basis that he can provide the relevant answers. I hand over now to Nuala and Des. If members have any questions on the update that I have given of the meeting with the Minister, Nuala and Des will try to provide answers.

**Ms Nuala Kerr (Department for Employment and Learning):**

We are here to talk about the Committee's report that we received in June on the way forward for apprenticeships. We have been considering the report over the summer, and we sent our formal

response to you at the end of last week. We welcome the report, its recommendations and particularly its timeliness. As the current round of contracts concludes, the Committee's report raises several important issues that we must consider as we enter the re-contracting process.

Recommendation 1 concerns giving employer bodies a new role in the contracting arrangements, and recommendation 3 relates to more effective delivery arrangements. Recommendation 8 deals with the transition from NVQ level 2 to NVQ level 3. The centres of excellence and the Group Training Association (GTA) model are addressed in recommendations 12 and 13, and recommendation 15 highlights the engagement of small businesses in particular.

All those recommendations will feed into our considerations about how we structure the tendering arrangements and what we will seek from the new contracts. We are keen to accept the Committee's comments, and we will feed those into our considerations over the next few months.

Work is in hand on several of the Committee's recommendations, including 5 and 10. Recommendation 10, for example, relates to raising the profile of apprenticeships and using exemplars of former apprentices who have gone on to have successful careers. We will, on the one hand, continue with our advertising campaigns to raise the profile of apprenticeships, and, on the other, seek out opportunities from people in the business community with whom we have contacts. We focused primarily on businesses that use apprenticeships, so we will now also focus on individuals who achieved success through that route.

Recommendation 9 refers to exploring the possibilities of information and learning technologies in apprenticeship programmes. We have commissioned the Learning and Skills Development Agency (LSDA) to run a series of workshops to raise the profile of that type of activity and its use in the apprenticeship context.

Recommendation 11 deals with non-completion of apprenticeships, and LSDA has been commissioned to undertake research on that, including interviewing the young people concerned and tracking the reasons and corrective action that we might need to take. Those are issues that the Department for Employment and Learning (DEL) is content to pursue and accept.

I would like to touch on three particular issues. One relates to recommendation six, which concerns the use of legislation to require that an appropriate quota of apprentices is involved in

any public procurement contract. A gremlin has appeared in the Department's response to that recommendation in a sentence which, uncharacteristically, does not make any sense at all. One sentence currently reads:

“such requirements would be relevant to the performance of the contract not under the procurement widely burdensome”.

It should read, “would be relevant to the performance of the contract and would not be unduly burdensome”.

**The Chairperson:**

That paragraph made total sense to me. *[Laughter.]*

**Ms Kerr:**

The Department is saying that there is an issue around contracting arrangements. We explained in our response that certain matters attach to that. We are heavily dependent on the Department of Finance and Personnel, particularly the Central Procurement Directorate, for advice on entering into contracts. However, we will continue to work on a voluntary basis with whoever we can have contact with, and to encourage them on an apprenticeship quota until such time as we can achieve a legislative requirement. We have, for example, had contact with a main contractor in the Titanic signature project to try to ensure that we maximise the number of apprenticeships that are associated, on a voluntary basis, with large contracts of that kind. We will continue to pursue a legislative route with our colleagues, but, in the meantime, we will work on a voluntary basis and under the present terms. Long term, however, it would be preferable that that requirement was mandatory.

I want to draw the Committee's attention to the work of the Low Pay Commission, which has been commissioned to consider mandatory wage levels for apprentices. Members of the commission were here to collect evidence, and we will meet them in London this month. Pending the outcome of the commission's report, which is due in February, we will consider its applicability in Northern Ireland and how we can take forward any of its recommendations. We would hope to build that into whatever future action is taken on contracting.

Lastly, I draw the Committee's attention to recommendation 14 and the opportunities for establishing apprenticeships in the Health Service here. We have had a very good response from our public sector organisations in offering placements, particularly in the context of programme-

led apprenticeships. The Committee will remember that the Minister wrote to his ministerial colleagues asking them for apprenticeship opportunities, because, particularly with the upsurge in placements associated with the programme-led apprenticeships, we needed to enhance the engagement of our public sector organisations in other parts of the public sector delivery streams. We have had a good response.

We see that as the beginning of our work on apprenticeships in the public sector. The Department for Employment and Learning is due to start a pilot business administration level 2 apprenticeship this year, and we hope to see that, and other types of apprenticeships, rolled out through the public sector. We see placements arising from programme-led apprenticeships as being very much the beginning of that route through. We had an interesting response to several aspects that are not purely administrative but which cover a wide range of placement opportunities for apprenticeship-type training. We hope to be able to develop that into other opportunities. The Health Service will be included in that, and we would like to see how the pilot works with the Department before we roll it out to other Departments.

We found the Committee's comments very helpful, and they will shape and influence our thinking as we move forward. We have found the Committee's suggestion helpful in taking our work forward.

**The Chairperson:**

Do members agree that the Minister's letter should be sent to stakeholders for their opinions?

I recognise that the Department is accepting most of the recommendations. I will not talk about the current apprenticeships as we dealt with that yesterday in our meeting with the Minister. However, I have a concern about CPD. When the Committee took on the inquiry initially, we were advised that because Government contracts fall under the remit of DFP and CPD, we could go only so far. We did not take that advice, and we were able to meet CPD. Nevertheless, I have a concern; although some of the contracts involve the Department of Enterprise, Trade and Investment (DETI) or, possibly, Invest NI, the Department for Employment and Learning has a responsibility. If the Department for Employment and Learning is not getting the contractual arrangements right, then it is failing to meet its Programme for Government commitments.

I am concerned that, in DEL's opinion, you are going only so far and then stopping. However,

you need to go to the wall and take the wall down. DEL should be saying that if other Departments fail to negotiate proper contracts, then apprenticeships will suffer. I would appreciate it if you would return to that point. The Department should take the lead. Although I accept that voluntary arrangements are in place — and people should be commended for signing up to those arrangements — they are only voluntary. In nine out of 10 cases, the arrangements are purely voluntary.

Nuala, you may not have this information to hand, but I have concerns about the mention of the pilot business administration apprenticeship in your response to recommendation 14.

**The Committee Clerk:**

May I interrupt, Chairperson? Members do not have that paper in their pack. It was brought to their rooms individually along with a memo. I gather that not all members have received it or found it. I apologise for that.

**Mr T Clarke:**

It is more likely that I did not find it.

**The Chairperson:**

We will come back to that.

Nuala, the Department's response to the recommendations makes a couple of references to the pilot project that will be developed. Will you let the Committee know exactly when you believe that that will happen?

I am conscious of the last point that was made. We will send that to stakeholders, too, because we have built up a good enough relationship with them. Everyone wants to get to the endgame with apprenticeships, so it is important that we get it right at every level. Official thinking seems to be that CPD and another Department are supposedly taking the lead on the issue. However, I am concerned that DEL is standing back when it should be running with this. Millions and millions of pounds of public money are being spent on Government contracts, and if we do not have apprenticeships included at that level, we will never get it right.

I apologise to Nuala; we will come back to the issue when the Committee gets an update from

stakeholders and members get a chance to read the response from the Minister.

On behalf of the Committee, I thank Nuala and Des for their time.

**The Committee Clerk:**

Once we get feedback from stakeholders, I suggest that we bring back the officials and do this again. In the meantime, we will recirculate the response from the Department to members. The original document will be somewhere in your offices, but this time we will recirculate it electronically, too.