



University of
Hertfordshire

Hertfordshire Business Higher/Degree Apprenticeship Survey 2015

Prepared by UH Market Research Services

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Executive Summary

The purpose of the Hertfordshire Business Higher Apprenticeship Survey (HBHDAS) research was to explore Hertfordshire businesses understanding, perceived attractiveness and use of higher/degree apprenticeships, and the perceived potential impact these would have on businesses performance.

In October 2013, in response to the 'Richard Review' (2012) of apprenticeships, the government set out its plans to reform Apprenticeships in England by replacing the existing Apprenticeship frameworks with employer-led standards. To support this reform, they established the Trailblazers – groups led by employers and professional bodies – to develop these new Apprenticeship standards (www.fisss.org). There are 16 Sector Skills Councils (SSC) and 5 sector skills bodies who work with 550,000 employers to define skills needs and skills standards in their industry.

Previous studies of employer evaluation of apprenticeships have acknowledged the potential barriers from employers in engaging an apprentice, the BIS survey of 2012-13 collected 4,009 employer perspectives^[1], from those who had recently finished an apprenticeship programme. Holt's review in May 2012 was commissioned by the Secretaries of State for Education and Business, innovation and skills, to assess the responsiveness of the apprenticeship programme to address SME employer needs^[2]. The findings showed that like any government support initiative it has to be shown to deliver 'value for money' to employers. A recent BIS research study in the 'Value for Money' of adult apprenticeships revealed that the economic return from apprenticeships was £24-£35 for every £1 of government funding^[3].

This HBHDAS research collected data from over 250 Hertfordshire employers, through one-to-one telephone questionnaires, focus groups and one-to-one interviews. Just under one third of respondents had employed an apprentice in the last 3 years. However, only 13% of these had experience of higher/degree apprenticeships, with the remaining only having a little or no knowledge at all. Of those who had no previous apprenticeship experience, when informed of the benefits and costs of higher/degree apprenticeships, over 27% were interested in knowing more. Once more details were supplied then over 73% of those expressed an interest to engage a higher/degree apprentice in the near future.

In conclusion, few Hertfordshire businesses acknowledge a knowledge or understanding of higher/degree apprenticeships. Yet when presented with the information the majority are interested to find out more, and over 20% of these would subsequently engage an apprentice.

Introduction

The UK Government committed over £1.5 billion in 2013-14 to apprenticeship programme support and funding^[4]. As of April 2015, over 50 higher apprenticeship frameworks have been approved at levels 4 to 6. In 2013-14, over 850,000 apprenticeships were active, with over 18,000 of these being at the higher-level. Nearly 220,000 workplaces now employ an apprentice in their workforce, yet this represents just 13% of the total number of employers in England.

This report summarises the findings of a Hertfordshire Business Higher/Degree Apprenticeship Survey (HBHDAS) research undertaken during the spring and summer of 2015. The research was funded by the European Social Fund (ESF) and the Skills Funding Agency (SFA), and had its main dissemination event at the end of July at the University of Hertfordshire, de Havilland campus.

“Higher apprenticeship are national work-based programmes based on employer need that enable individuals in employment to develop the technical knowledge and competence to perform a defined job role. As such, a higher apprenticeship is not just a learning programme, but an approach to workforce development and enhancing business performance” pp.2, UVAC Policy Briefing April 2013.

This report presents findings from the HBHDAS study into Hertfordshire businesses understanding, perceived attractiveness and use of higher/degree apprenticeships, and the perceived potential impact these would have on businesses performance. The report draws heavily on previous government, independent bodies (UVAC, HEIs, and professional institutions) and employer based published research, particularly those driven by the government’s latest apprenticeship reforms. These reforms have targeted employers to work with professional bodies and other third-party agencies to develop nationally recognized apprenticeships standards – short, succinct documents that define the knowledge, skills and behaviours for occupations and related high-level assessment plans (Trailblazers)^[4]. The differentiation between a higher apprentice and a degree apprentice is that the latter includes the achievement of a full bachelor’s or master’s degree.

The report concludes with a summary of the key challenges faced by Hertfordshire businesses in utilizing the full potential of Higher/Degree Level Apprenticeships (HDA), and some recommendations.

1.1 Hertfordshire Business Landscape

The University of Hertfordshire Marketing Research Services (MRS) conducted a previous study of Hertfordshire businesses perceived skills gaps (Hertfordshire Businesses Skills Gap Survey, 2015),

sections of this study's findings are include here. The Hertfordshire Local Enterprise Partnerships (LEPs) priorities in business support are:

- Enhance the competitiveness of SMEs;
- to improve the skills of the existing workforce by offering additional support to SMEs within key growth sectors, ensuring that skills training is encouraged to ensure future business growth;
- to drive business employers in the medium- to long-term to engage with learning, skills training and increased employment;
- To also focus on the Hertfordshire working age population who have below NVQ level two qualifications such as the Stevenage, Broxbourne, Hertsmere and Dacorum areas.

Figure 1.1 – Hertfordshire Business Community



SMEs have been particularly hard hit by the 2008-09 international banking and financial crisis and the subsequent long-running economic downturn in the UK. SMEs account for over 59% of employment and over 99% of all registered businesses, compared to large organizations which account for 41% of employment, and less than 1% of businesses ^[5]. Simply put, of the 200,000 to 250,000 private sector firms created in the UK every year, over 90% of these have fewer than 5 employees. The statistics also suggest that in more than a decade's time over 70 – 80% of these will

no longer be trading. Of those that do survive to the age of 10 years, around 75% of those born with fewer than 5 employees will still have fewer than 5 employees^[6]. Over 50% of SME owner-manager predicted that they would grow moderately, less than 10% growth per annum, over the next three years, with 11% intending to grow significantly, greater than 20% growth per annum, over this same period^[7]. This growth in local economic output is driven by enterprise (the readiness to embark upon new ventures with boldness and enthusiasm), investment, value and new industries^[8]; but what underpins all of this are the skills of Hertfordshire's workforce – including those apprentices and trainees.

The requirements of Hertfordshire LEP's strategy regarding investment priorities are set out in the 'Structural and Investment Fund Investment Strategy' document posted on the LEP website^[9]. This document is in direct response to the HM Government's request that all LEPs have a strategy relating to how they would deploy their share of the European Structural and Investment Funds for 2014 – 2020^[10]. One of four core themes highlighted in the ESIF strategy document is 'Enhancing the Competitiveness of SMEs', and this has been allocated over 40% of the total funding from the Hertfordshire LEP. One of the most significant ways by which SME competitiveness can be increased is in assisting and supporting skills training (including apprenticeships), which both enhances competitiveness and increases overall business performance (financial and non-financial), leading to increased employment in the Hertfordshire.

Hertfordshire is fortunate in being close to London, having over 43% of its residents at NVQ level 3, and above, qualified. Hertfordshire is not unique in recognizing the importance of key sector development, both in terms of creating economic growth and creating and sustaining employment. The East of England Forecasting Model (EEFM) suggests that over 50% of Hertfordshire's employment is concentrated in six sectors - Retail, Professional and technical services, Health and care, Construction, Education and Wholesale^[11]. However, those sectors that have both economic distinctiveness, and represent the highest growth potential for Hertfordshire, identified in the 'European Structural and Investment Funds – Hertfordshire Investment Strategy' report are^[9]:

- Life sciences, advanced manufacturing and engineering & IT
- Film and media
- Sport, leisure and cultural activities
- Financial and business services
- High-end logistics

A cautionary note, specialisation can be both a measure of resilience, and one of vulnerability, for the local economy. However, local economies that focus on specialising in strong, internationally-competitive industries and businesses do help to build resilience and opportunity for long-term growth^[8]. In the Experian resilience index published within the "Review of Local Enterprise

Partnerships Economies” report^[8], in 2012, Hertfordshire was ranked 4th in overall resilience. Hertfordshire’s high resilience reflects well on business ability to meet this challenging economic climate, largely by up skilling its workforce.

Hertfordshire ranked fourth in the LEP Network Report, assessing economic output growth over the period 1998 – 2008, behind London, Thames Valley Berkshire, Enterprise M3^[8]. The analysis from this report highlights that those highest performing and significantly improving LEP areas have the following characteristics:

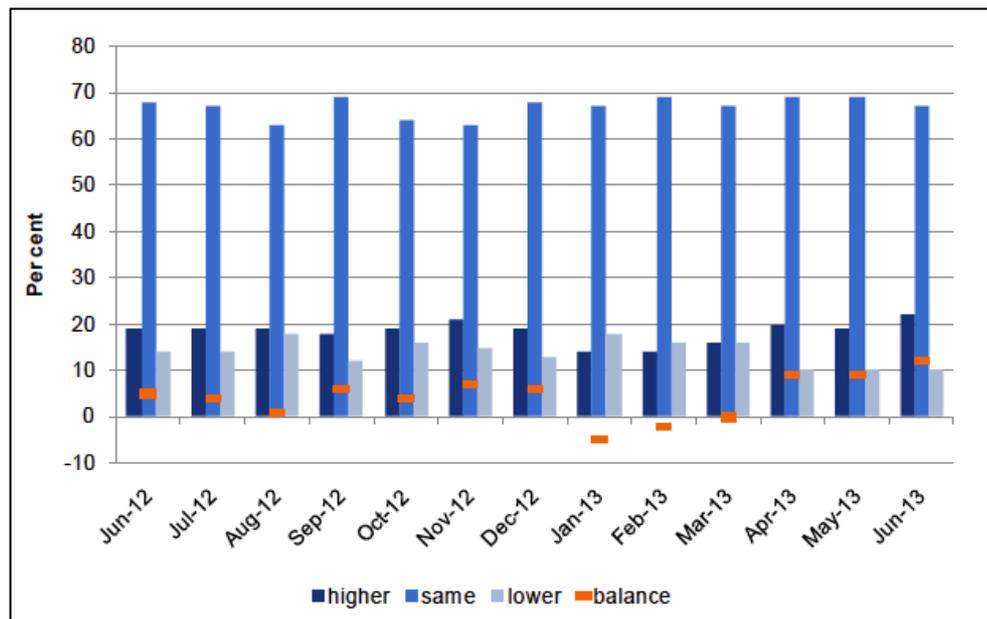
- Growing workforces and high levels of employment;
- A more skilled workforce and employment;
- Higher levels of innovation knowledge and technology based employment;
- And are entrepreneurial.

These characteristics have significantly contributed to these successful local economies, Hertfordshire being one of the Top 4 in England, where they have over time maintained high performance and high levels of employment.

1.2 Hertfordshire Business Employment

A recently commissioned survey for the Hertfordshire LEP noted that “labour demand in Hertfordshire has been increasing markedly in the past 24 months, and that there are further demand pressures ahead (Hertfordshire LEP: 2)” ^[12]. The English Business Survey conducted based on monthly 3,000 workplace interviews^[13], saw a steady growth in employment across all English regions, see figure 1.2 below.

Figure 1.2 Expected Level of Employment in England, June 2012 to June 2013 (Source: English Business Survey – June 2013, BIS)



Notes: The three columns sum to 100% = (%Higher)+(%Same)+(%Lower) – of workplace employees

The chart above shows that businesses generally have reported an increase in employment (22%) as opposed to a decrease in employment (10%) – 68% of businesses reported no change in employment for June 2013. The Office for National Statistics reports there are 537,300 employee jobs in Hertfordshire, this excludes self-employed, government-supported trainees and HM forces. One of the tools used to estimate future job growth in Hertfordshire is the East of England Forecasting Model (EEFM) which predicts that between 2011-2031 there would be an additional 79,300 jobs generated by Hertfordshire businesses^[14].

The Regeneris Consulting report for the previous East of England Development Agency (EEDA), Hertfordshire County Council (HCC) and the ten districts in Hertfordshire contains some interesting and relevant facts concerning Hertfordshire businesses and employment ^[14]:

- The top five employment growth sectors for Hertfordshire for the next 20 years are: Software & Digital, Life Sciences, Advanced Manufacturing, Logistics and Professional services;
- Hertfordshire businesses account for nearly 25% of the east of England’s employment, and therefore is a significant area of both economic and employment growth for the forthcoming years;

1.3 Method

The principle aim of the HBHDAS research was to report on Hertfordshire businesses perceived understanding and utilization of the higher apprenticeship scheme. The research objectives were to:

- Understand current knowledge and engagement by Hertfordshire businesses of higher/degree apprenticeships;
- Understand perceived attractiveness, and benefits of the Hertfordshire businesses engagement in higher/degree apprenticeship programmes;
- Summarise the overall challenges and issues with Hertfordshire businesses engagement in higher/degree apprenticeship programmes.

The research was split into two phases:

Phase 1: Involved conducting a telemarketing questionnaire conducted over 2 months and focusing on five key areas:

1. Current experience and engagement in apprenticeships
2. Current knowledge of higher/degree apprenticeships;
3. Once higher/degree apprenticeships have been explained, then the perceived benefits and potential business impact of higher/degree apprentices;
4. Overall attractiveness of higher/degree apprenticeships;
5. Potential challenges and issues of employing a higher/degree apprentice.

Phase 2: Involved conducting focus group sessions and a number of in-depth one-to-one telephone semi-structured interviews with senior management in selected Hertfordshire businesses. The interviews/focus groups were used to gain additional detailed perspectives on:

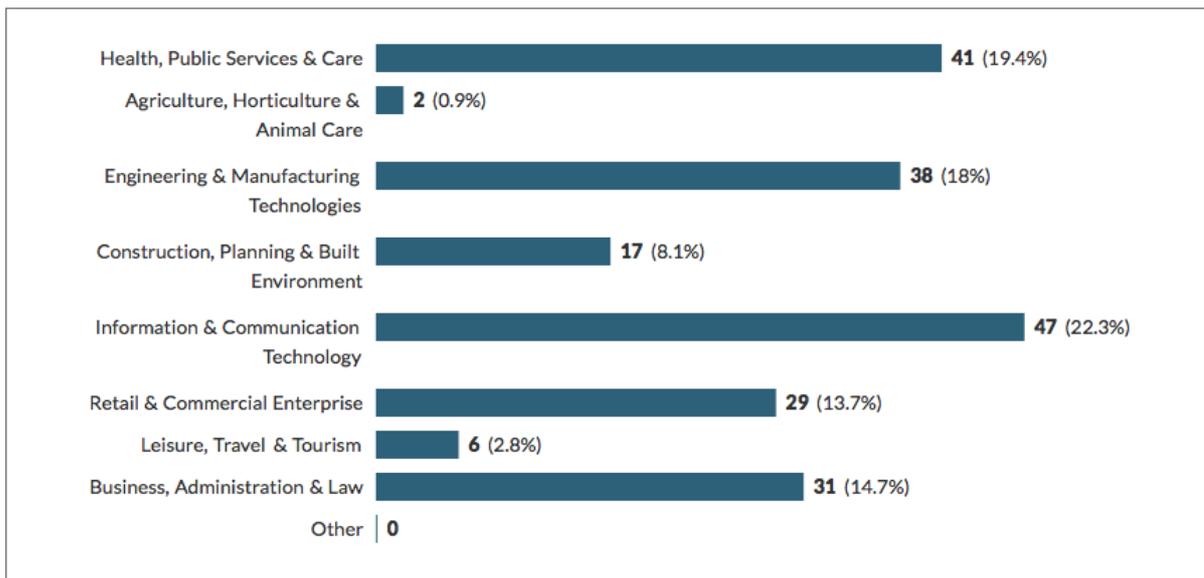
1. The knowledge of higher apprenticeship scheme;
2. The requirements and experiences of those Hertfordshire businesses who have already had apprentices;
3. Their future demands for skills and the role that higher apprenticeships could play;
4. Perceived enablers and barriers to engaging in the higher apprenticeship scheme;
5. What actions are they likely to take in the next 12 – 24 months regards hiring higher apprentices.

The one-to-one interviews were conducted with employers operating in the following sectors:

- Health, Public Services & Care
- Engineering & Manufacturing Technologies
- Construction, Planning & Built Environment
- Information & Communication Technology
- Retail & Commercial Enterprise
- Business, Administration & Law

The 250 Hertfordshire businesses participating in the HBHDAS research were representative of all business types (micro to large businesses), and sectors in Hertfordshire, see figures 1.3 below.

Figure 1.3 Sample Businesses Surveyed by Sector (Source: HBHDAS)



For the purposes the of the report we defined:

- Micro businesses – as those employing between 1 and 9 employees;
- Small businesses – as those employing between 10 – 49 employees;
- Medium businesses – as those employing between 50 – 249 employees;
- Large businesses – as those employing 250 and over employees.

2 Hertfordshire's Business Skills Landscape

Section Summary

Business Growth and Employment

- Over 60% of Hertfordshire small businesses surveyed reported better than 5% growth over the last 12 months. This compares to only 20% of medium-sized and 30% of micro businesses.
- Over 55% of Hertfordshire medium-sized and small businesses reported an increase in recruitment of new staff, with just over 20% of micro businesses reporting an increase in staff.
- Over 52.8% of Hertfordshire business employees are in managerial and professional occupations, a shift away from lower qualified and skilled occupations.

The HBHDAS research, is an adjunct to the HBSGS research conducted in 2015, designed and commissioned to explore and measure the skills needs of Hertfordshire businesses, the impact of these on their performance, and their current commitment to skills development activities. In 2012, the UK Commission for Employment and Skills (UKCES) commissioned their own survey of over 87,500 employers and identified a number of skills gap trends within the different sectors that have a close relationship with businesses need for higher skills training, and the suitability of higher/degree apprenticeship to address some of their needs^[15].

2.1 Hertfordshire Businesses (Size and Sectors)

Hertfordshire business profile, by size, is roughly in line with the UK's broad split of 88% micro businesses, 10% small businesses, 1.5% medium businesses, and 0.5% large businesses, see Table 2.1 below:

Table 2.1 Hertfordshire Business Profile (Source: <https://www.nomisweb.co.uk>)

2014	Hertfordshire (numbers)	Hertfordshire (%)	East of England (%)	Great Britain (%)
Enterprises				
Micro (0 to 9)	46,510	90.1	88.9	88.3
Small (10 to 49)	4,100	7.9	9.2	9.6
Medium (50 to 249)	785	1.5	1.6	1.7
Large (250 +)	235	0.5	0.4	0.4
Total	51,625	-	-	-

Notes: % is as a proportion of total enterprises

The Hertfordshire ESIF investment strategy stresses that the top six sectors in Hertfordshire account for over 50% of Hertfordshire's employment^[9]. These are:

1. Retail (12.1%)
2. Professional and scientific services (9.5%)

3. Health and social care (9.3%)
4. Construction (8.4%)
5. Education (8.0%)
6. Wholesale (7.9%)

These sector figures, and rankings, are very similar to the total UK employment split by sector. Office of National Statistics (ONS) data for July 2013 to June 2014 suggests there are 613,600 Hertfordshire residents in full-time or part-time employment ^[16].

Previous studies ^[14] looking at the travel flow of workers into and out of Hertfordshire show a net outflow of 36,000 commuters, mainly travelling into Central London and its outer districts (Barnet, Enfield, Camden, etc.). This does have an impact on Hertfordshire businesses in the constant competition for higher skilled professionals and workers, with London employers offering more attractive salaries. This is something commented on by businesses when discussing investment in long-term higher/degree apprenticeships, see section 4.

There are over 26,100 unemployed in Hertfordshire, of these 10,071 are Job Seekers Allowance (JSA) claimants who are registered and actively seeking full-time employment. ONS also reports on the number of Hertfordshire business employees. Hertfordshire businesses complete the business register and employment survey every year, this cites there are 537,300 employee jobs in Hertfordshire and splits this across the different sectors, see table 2.2 below.

Table 2.2 Hertfordshire Employee Jobs (Source: <https://www.nomisweb.co.uk>)

	Hertfordshire (employee jobs)	Hertfordshire (%)	East of England (%)	Great Britain (%)
Total employee jobs	537,300			
Full-time	351,300	65.4	65.3	67.7
Part-time	186,000	34.6	34.7	32.3
Employee jobs by Industry				
Primary Services (A-B: agriculture and mining)	220	0.1	0.3	0.3
Energy and Water (D-E)	3,000	0.6	0.9	1.1
Manufacturing (C)	35,000	6.5	8.8	8.5
Construction (F)	39,900	5.6	4.8	4.4
Services (G-S)	468,800	87.3	85.2	85.7
Wholesale and retail, including motor trades (G)	104,400	19.4	17.7	15.9
Transport storage (H)	17,300	3.2	4.7	4.5
Accommodation and food services (I)	29,500	5.5	6.3	7.0
Information and communication (J)	26,300	4.9	3.5	4.0
Financial and other business services (K-N)	156,100	29.1	22.2	21.8
Public admin, education and health (O-Q)	112,100	20.9	26.6	28.0
Other services	23,200	4.3	4.2	4.6

Notes: % is a proportion of total employee jobs

Financial and other business services has the highest employment levels, key to the success of this sector is the proximity to London and good transport links.

Public Administration, Education and Health is the second largest employment sector in Hertfordshire. Life Sciences is an important element of this sector, having shown 15% growth rates since 2003, with a steady increase in the number of life science businesses ^[14]. In data collected by the ONS over a ten year period from 2002 – 2012, the share of high skilled workers for the UK Health sector increased from 13.3% to 14.9% ^[17], however over the same period the overall high skilled workers in the UK economy increased by 4.3% to 30.8%. This confirms other survey findings that show a steady shift of lower skilled occupations to higher skilled occupations ^[15].

Wholesale and Retail is the third largest employer in Hertfordshire. Over 20% of this sector is related to Wholesale/Logistics with employment since 2003 being relatively stable. Hertfordshire with its good transport infrastructure and connections to M1, M25 and A1M remains an attractive location ^[14].

Manufacturing is another important area for Hertfordshire, with over 50% of these being advanced manufacturing businesses. Though, since 2003 the number of advanced manufacturing businesses, defined by BIS as having high levels of technology utilization and R&D, has reduced in the UK, the overall employment levels have increased. Key to their continued success is access to quality skilled labour, and continued advances in cost reduction ^[14].

Information and Communication is an important sector because of its specific support for the Film and Media sector. The Creative and Media sector is a significant employer, and with Warner Brothers continued investment in Leavesden studios and increasing use of Elstree studios for TV and film production, employment levels are set to steadily grow. General work practice changes to more staff working from home will impact on their increasing skills needs around IT^[14].

2.2 Business Employment by Occupation

A Hertfordshire business survey conducted for the East of England Development Agency (EEDA), Hertfordshire County Council (HCC) and the ten borough councils by Regeneris Consulting, acquired business data from the ONS concerning employment growth from 1998 – 2008 for Hertfordshire, and noted that the +2% change was relatively poor against the UK average for this period of 10% ^[14]. Other counties like Essex and Berkshire achieved 17% and 11% employment growth respectively over the same period.

A small business survey conducted in the first quarter of 2013 indicated that UK businesses were active in recruiting staff despite the overall concern on steady growth in the economy ^[18]. More than

53% of UK businesses reported the recruitment of at least one additional member of staff over the first quarter of 2013. As one would expect the number of new staff increases based on size of turnover and sector demands. So businesses in hotels & restaurants, Financial & Professional Services and Manufacturing were twice as likely to be taking on more staff than businesses in retail, wholesale and agriculture.

Hertfordshire is one of the top 4 high-performing local economies in England, and as such they have a significant number of high-skilled residents employed in high-level occupations/jobs^[8]. Ultimately these high-skilled jobs are dependent on employer demand, and the success of high-value industries in Hertfordshire.

Table 2.4 Total Hertfordshire Employment by Occupation (source: www.nomisweb.co.uk)

(July 2013 – Jun 2014)	Hertfordshire (level)	Hertfordshire (%)	East of England (%)	Great Britain (%)
Soc 2010 major group 1-3	309,200	52.8	45.2	44.5
1 Managers, directors and senior officials	77,600	13.2	10.6	10.2
2 Professional occupations	130,700	22.2	19.3	19.9
3 Associate professional & technical	101,000	17.2	15.2	14.2
Soc 2010 major group 4-5	124,000	21.2	22.3	21.4
4 Administrative & secretarial	69,800	11.9	11.5	10.6
5 Skilled Trades occupations	54,200	9.2	10.7	10.6
Soc 2010 major group 6-7	83,600	14.3	16.0	17.0
6 Caring, Leisure and Other Service occupations	48,800	8.3	9.1	9.1
7 Sales & Customer Services occupations	34,800	5.9	6.8	7.8
Soc 2010 major group 8-9	69,200	11.8	16.5	17.1
8 Process plant & machine operatives	27,700	4.7	6.5	6.3
9 Elementary occupations	41,600	7.1	10.0	10.7

Source: ONS annual population survey

Employment by occupation from the Office of National Statistics (ONS) shows the breakdown by occupation, as per table 2.4 above.

Over 52.8% of Hertfordshire's employed were working in managerial, professional and associate professional roles in 2013. This compares with 44.5% across the United Kingdom as a whole^[19]. The share of Hertfordshire residents in administrative and secretarial roles is slightly above the national average. Those in the remaining occupational roles generally require lower skills and qualifications. This portion of Hertfordshire's workforce is smaller than the national average, and likely to continue to decrease^[12].

“In our sector, we mainly recruit professionals with specific skill sets. They are 95% done and dusted. Where we have any skills gaps, they are in the use of our systems and very job-related skills.”. [MD, Financial & Professional Services]

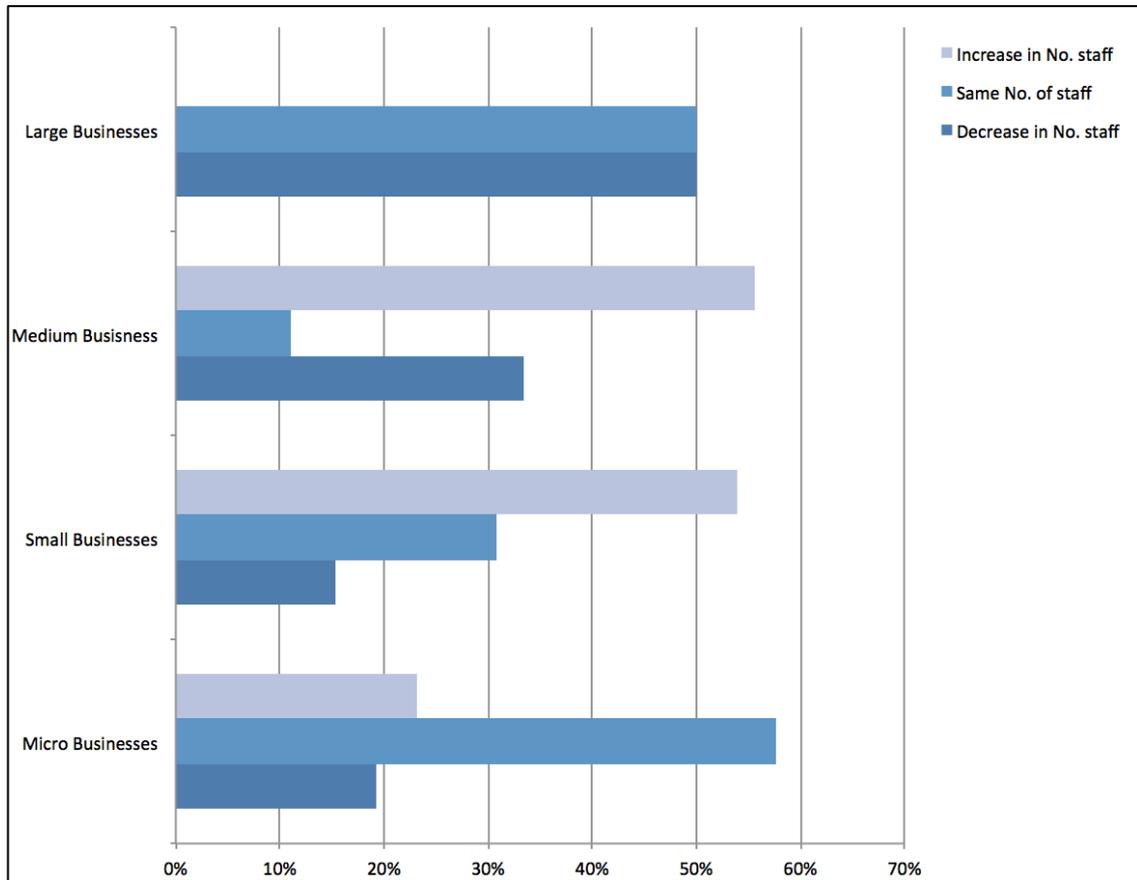


Figure 2.1 Business Employment over Last 12 months (source: HBSGS, 2015)

HBSGS (2015) findings, see figure 2.1 above, indicate that slightly more micro-businesses increased their staff levels (23%), compared to decreased their staff levels (19%) over the last 12 months. In small businesses this positive slew towards increasing against decreasing staff employment was (54%) to (15%). In medium businesses the gap between increasing against decreasing staff employment was narrower, (56%) against (33%).

The Barclays Job Creation Survey of 2013, of 700 UK businesses, revealed a surprising confidence of medium businesses with regards to creating new jobs, up from 65% to 71% over the previous year ^[20]. Medium businesses have often been cited as the most resilient to the previous economic storm, and therefore their confidence in taking on new staff is significant. Small businesses are reported as being the least likely to take on new staff at 51%, whilst large businesses are trailing medium businesses (71%) at 65%. Large businesses often cite that they have the most multi-skilled staff, and therefore can move them into other areas, thus not necessarily needing to create new jobs.

2.3 Business Growth

Over the last twelve months 38% of Hertfordshire businesses saw an increase of more than 5% turnover, while 22% saw a decline of more than 5%, with 40% seeing no sizeable change to turnover. Small businesses followed by large businesses experienced the largest growth rates, therefore feeling the most confident in taking on new staff, whilst micro businesses experienced the largest decline in turnover, see figure 2.2 below. This overall business growth, and therefore corresponding increased employment, is roughly inline with that experienced in England, and better than Buckinghamshire Thames Valley LEP and Thames Valley Berkshire LEP, but slightly worse than Greater Cambridgeshire & Greater Peterborough LEP ^[12].

HBSGS findings, see figure 2.2 below and 2.1 above, show that small businesses reported both positive business growth and increased employment in the last twelve months (July 2013 – July 2014). Medium businesses were the next confident in reporting the same or positive business growth linked to increased employment. This was followed by micro-businesses, showing just 30% reporting increased business growth and 22% increased employment. Over 50% of large businesses reported business growth, but with little or no net employment gains. This is comparable to other study findings at both the county, and national levels ^[15].

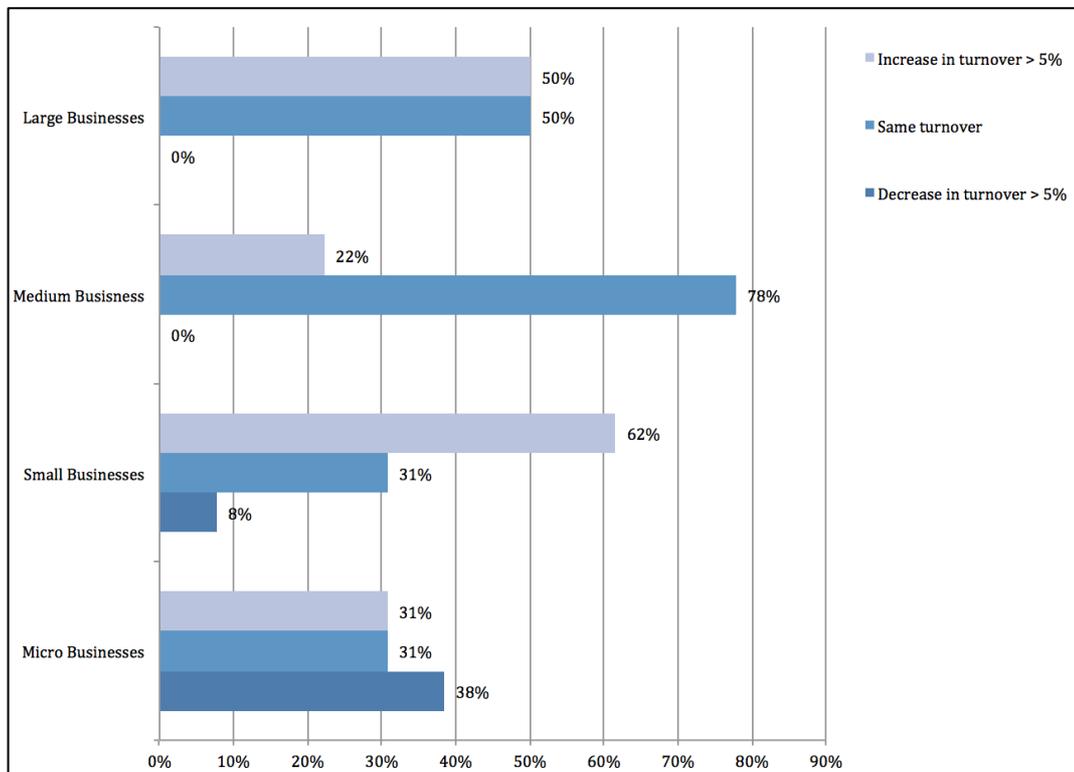


Figure 2.2 Business Growth in the Last 12 months (Source: HBSGS, 2015)

Productivity was not a variable looked at in the HBSGS study, however, recent studies have expressed concern over the performance of Hertfordshire business sector against other comparable counties like Buckinghamshire, Berkshire and Cambridgeshire ^[12].

2.4 Specific Skills Gaps

The UKCES UK Employer Skills Survey identified that ‘too many businesses lacked the skilled people they needed, posing serious risks to the health and survival of their businesses and to bottom-line performance’ (UKCES 2012: 3)^[15]. Almost 1.5 million employees (5% of the total UK workforce) were deemed not to be fully proficient, in that they exhibited a long-term skills gap, skills gaps not being immediately addressed by their respective employers. Over 60% of those businesses identifying a skills gap reported that this was impacting on performance. The UKCES survey highlights that the predominant reason for these long-term skills gaps were the staff’s newness to the role, staff not having the skills required for the role, and that training often had not been completed ^[15].

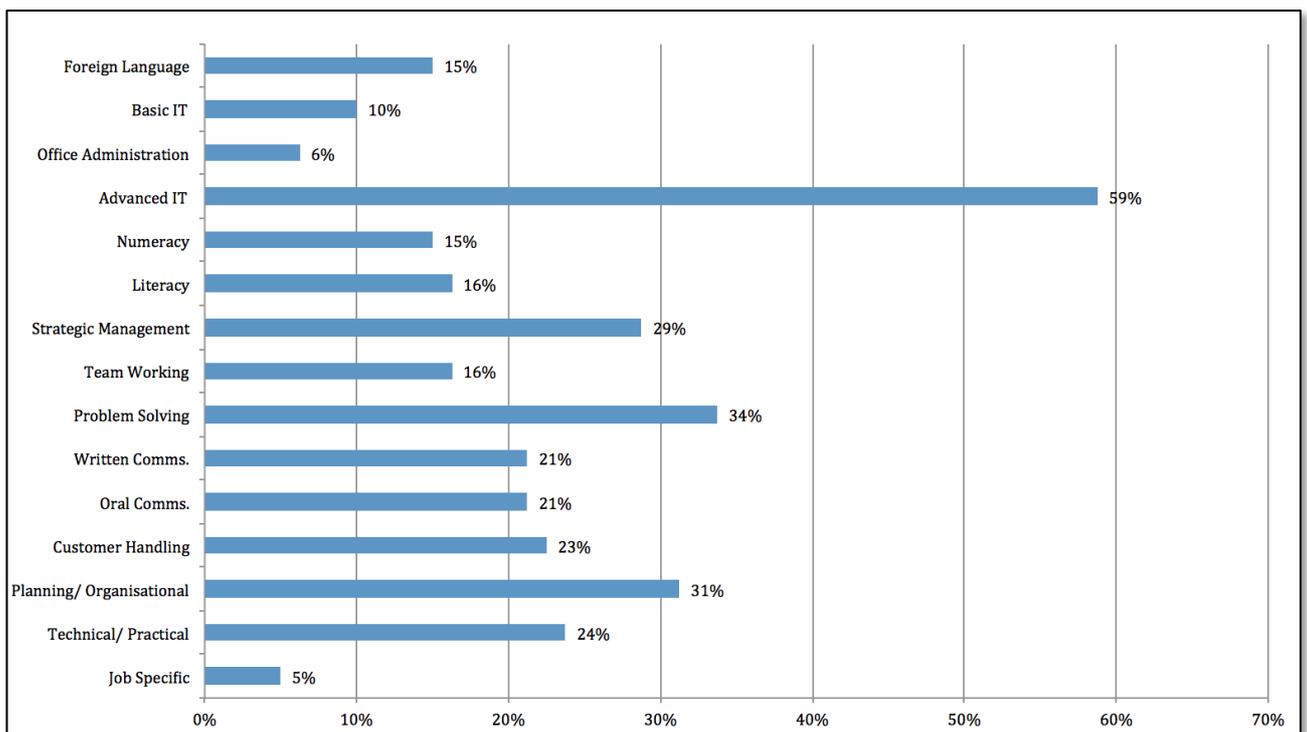


Figure 2.3 HBSGS Respondent Skills Gaps (Source: HBSGS, 2015)

HBSGS respondents suggested that advanced IT, strategic management, problem solving, planning/organizational, and technical/practical skills were the top five skills gaps in their respective businesses, see figure 3.1 above. A common skills gap that appeared across all the occupations was written and oral communications, most noted was the ability to use telephones and construct simple letters. Selected occupations are highlighted below and employer ranked:

Managers' skills gaps

1. Strategic management
2. Advanced IT
3. Problem-solving
4. Planning/organisation
5. Job-specific

Professionals' skills gaps

1. Technical and practical
2. Written communications
3. Oral communications
4. Strategic management
5. Job specific

Administrative/Clerical skills gaps

1. Job specific
2. Written communications
3. Technical and practical
4. Advanced IT
5. Oral communications

Skilled Trades' skills gaps

1. Written communications
2. Job specific
3. Technical and practical
4. Oral communications
5. Team working

Sales & Customer Service skills gaps

1. Planning and organization
2. Oral communications
3. Written communications
4. Job specific
5. Technical and practical

The HBSGS (2015) findings are very similar to those found in the UKCES survey (2012), where professional and associate professional occupations were the largest employment sector.

HBSGS respondents often mentioned the difficulties of recruiting new staff with specific industry experience, and knowledge of the type of systems and processes they ran:

“In departments like customer service nearly 50% of our staff have less than 1 years of work experience. Over half of our recruitment is from school or college leavers, unfortunately they

just don't have experience of working in an office culture and general working practices. Things as simple as being on-time and respectful of our staff". [HR manager, Financial & Professional Services]

2.4.1 Skills Gap by Sector

The last Annual Business Inquiry conducted by the UK Government (www.nomisweb.co.uk) for 1998 – 2008, and split down to the county level, showed that the top five growth employment sectors, for Hertfordshire, were ^[14]:

- Education (up by 26%)
- Construction (up by 35%)
- Recreation, culture and sport (up by 43%)
- Health and social work (up by 10%)
- Retail trade (up by 5%)

Predicting where the growth will be in the future is difficult, but work around the East of England Forecasting Model (EEFM) suggests that employment in Hertfordshire is likely to increase by an average of 16%, equivalent to 79,000 new jobs, between 2011-2031 ^[14]. Importantly, 55% of this employment growth is forecast to be in the following 7 sectors:

- Software and digital (+4,700)
- Life sciences (+5,000)
- Advanced manufacturing (+1,500)
- Creative and media (+1,200)
- Green industries (?)
- Logistics (+8,300)
- Professional, banking and finance (+22,800)

These sectors are highly competitive, requiring constant business strategy development, introduction of new technologies and working practices, and therefore any skills gaps identified in these industries are likely to impact on their growth potential. UK based surveys of key sector employers report that staff in NVQ Level 3, or below, qualified positions, often have generic skills gaps (oral and written communications, customer service, etc.) rather than specific technical skills ^[21].

Skills shortage surveys in other cities, and regions, in England, have highlighted the business concerns regarding the lack of technical and practical skills at both Level 3 and Level 5+ positions ^[21]. Surveys by some of the key professional institutes, like Institution of Engineering and Technology (IET), highlighted that 34% of surveyed employers had concerns over the practical/work experience of recent graduates (Level 6).

“Recent recruits from college and university are coming in with issues around written communications and IT skills, even in just the construction of a letter to a client. They need professional training on this, it amazes me that that skill set is not quite there”. [HR manager, Financial & Professional Services]

HBSGS (2015) respondents commonly noted IT skills (advanced) as a significant skill gap, with logistics, financial and professional services, and education sectors ranking this as first. In the UKCES survey, only 26% of respondents noted IT skills as a significant issue for them, whereas 59% of HBSGS respondents cited it ^[15]. Other skills gaps are noted below against the sectors, see table 3.1 below.

Table 2.5 Skills Gaps Ranked by Sector (Source: HBSGS, 2015)

Ranking	1 st	2 nd	3 rd	4 th	5 th
Utilities & Waste Management	Advanced IT	Oral communications	Planning/Organisation	Problem solving	Strategic Management
Advanced Manufacturing & Manufacturing	Job Specific	Technical/practical	Advanced IT	Strategic Management	Customer handling
Construction	Technical/practical	Advanced IT	Planning/organization	Problem solving	Strategic management
Retail & Wholesale	Planning/organization	Customer handling	Strategic Management	Advanced IT	Technical/practical
Logistics	Advanced IT	Strategic Management	Literacy	Written communication	Oral communications
Food & Accommodation	Customer handling	Office administration	Job specific	Oral communications	Team-working
Property	Customer handling	Strategic management	Technical/practical	Advanced IT	Written communications
Financial & Professional Services	Job specific	Strategic management	Advanced IT	Customer handling	Written communications
Administrative services	Team working	Oral communications	Numeracy	Advanced IT	Basic IT
Education	Advanced IT	Oral communications	Technical/practical	Foreign languages	-
Life Sciences	Team working	Advanced IT	Written communications	Customer handling	Strategic management

“We are increasingly moving into a digital business, one where skills around digital marketing are becoming essential requirements. We find it very difficult to find customer & administrative staff who have even the rudiments of these skills, and more worrying is the lack of basic Excel skills. Apart from populating sheets, recent recruits who have professed to

having excel skills struggle with any data manipulation”. [General manager, Retail & Wholesale]

“It’s surprising to us that graduates and those who have been in the industry for five to ten years are still lacking customer service skills. We are now having to accept that they don’t have the required skills, and train them. Interestingly, another area is around numeracy of our scientists. They often cannot do simple percentages – essential for completing something as menial as a timesheet, we have to train them in more advanced spreadsheet operations”. [MD, life sciences]

Some sectors like the financial and professional services have skills gaps very specific to the job:

“Our core business is tele-marketing, we therefore have specific needs to integrate with our clients’ databases, and that is where the job specific skills gaps often come in training people in how to use specific client databases, like sales force”. [MD, Financial & Professional Services]

Others like retail and wholesale have more general skills gaps:

“Just things like letter and e-mail writing skills that they lack. We are talking about jobs in the £20 – 25k range, just below manager level, and applicants lack some of the basic skills”. [General manager, Retail & Wholesale]

2.4.2 Impact of Skills Gaps on Employees and the Business

Over 17% of HBSGS respondents considered that these skills gaps had a very significant impact on business performance, financial and non-financial. A further 43% attested to the skills gaps having a significant, or less significant, impact on business performance. The remaining 40% of HBSGS respondents reported no impact on their business. These relative ratios are very similar to those reported in the UKCES survey, where 16% reported a major impact, 48% minor impact, and 36% no impact ^[15]. The top three areas highlighted by HBSGS respondents as having a significant impact on their business performance were: delays in in product/service developments, difficulties in introducing new working practices, and increased workload for other staff, see figure 3.3 below.

“The majority of new staff come in very competent, and we do play to their strengths. Therefore our job descriptions are very adaptable, and every year come the appraisal, we amend their job role and responsibilities to take into account their aspirations, as well as identified skills gaps. This has worked for us, and through this we get the best out of our staff”. [HR manager, Financial & Professional Services]

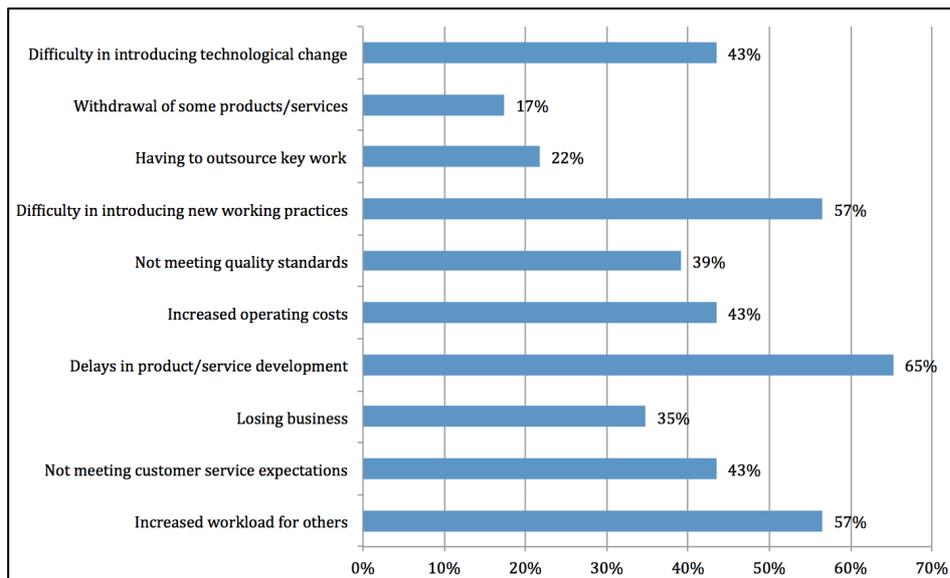


Figure 2.3 Impact of Skills Gap on Business/Workforce (Source: HBSGS, 2015)

2.5 Skills/Qualification Level of Current Workforce

HM Government considers qualifications as a key indicator of skills. Hence in most of the UK and Regional Economic Indicator reports, generated by the ONS, the changing map of adult (16 – 64 years) qualifications is carefully monitored and reported on ^[16, 22, 23]. Hertfordshire has an above average individual qualification level record at every NVQ1 to NVQ4 level, benchmarked against the region and national levels, see table 2.4 below:

Table 2.4. Qualifications for Hertfordshire Residents (2013) (source: www.nomisweb.co.uk)

(Jan 2013 – Dec 2013)	Hertfordshire (level)	Hertfordshire (%)	East of England (%)	Great Britain (%)
Individual levels				
NVQ4 and above	300,000	41.7	33.2	35.2
NVQ3 and above	441,600	61.4	53.6	55.8
NVQ2 and above	563,700	78.4	72.7	72.5
NVQ1 and above	637,400	88.6	85.8	84.4
Other qualifications	31,800	4.4	5.8	6.3
No qualifications	50,000	7.0	8.4	9.3

Notes: ONS annual population survey

More specific breakdown from the ONS of the Hertfordshire resident population highlights an interesting above average 41.7% having graduate level qualifications (NVQ level 4 and above) ^[16] comparable with London's 40%^[24], and the UK average of just above 35.2% ^[11].

Many HBSGS respondents commented on the employability skills of recent graduate recruits, their experience being that graduates can still go through a degree without developing transferrable skills, like lateral and critical thinking, and problem solving:

“We generally take at least one degree student on a placement, normally 12 months. 3 out of 4 times we will offer them a job when they graduate. However, our experience of graduates who have not had a placement year or much in the way of vocational work is that they are weaker and have fewer transferrable skills”. [Senior manager, Financial & Professional Services]

3 England/Hertfordshire Businesses – Past and Current Employers’ Engagement with Higher/Degree Apprenticeships

Section Summary

Current Appetite for Apprenticeships

- In the last full year of apprenticeship programme starts (2013-14), five sectors in particular made up two-thirds of all employers with apprentices: ‘Human health and social work’ (21%); ‘Wholesale and retail’ (16%); ‘Accommodation and food’ (10%); ‘Other services’ (9%); and ‘Construction’ (9%)^[1].
- An apprenticeship is a form of education, based in the workplace. It must be attached to a real job and deliver broad and transferable skills that are recognized and valued across the sector^[25].

Indication of an increased Appetite for Higher-level Apprenticeships

- Employers who were asked how much they knew about the government’s Apprenticeship offer. The majority felt they knew either ‘just a little’ (37%) or ‘a fair amount’ (38%).
- Rebalancing the purchasing power and access to information on the side of the SME to ensure that they are in control of what providers deliver, and that providers operate in a more competitive environment^[2].
- To develop true “parity of esteem” between the Higher Education and apprenticeship routes, in addition to developing more Level 4 Apprenticeships Frameworks, we need to raise awareness on an altogether bigger scale ^[2].

The UK Government in 2010 issued a Skills Strategy, and part of their skills strategy was to improve the apprenticeship standards:

“to widen access, there will be clear progression routes from level 3 apprenticeships to higher level skills, including level 4 apprenticeships or higher education” ^[26].

The increased interest in higher apprenticeships results from the UK Government’s and employers increased concerns about higher skills needs. Since, higher apprenticeship offer the opportunity to develop clear work-based career routes to senior technician, managerial and professional job roles, then supporting HLA’s provides additional opportunities for workforce social mobility and widening access to the professions ^[27].

A 'Specification of Apprenticeship Standards for England' (SASE) was developed and introduced by the UK Government to incorporate the recognition of higher apprenticeships at levels 6 & 7. The changes to the SASE included also the provision of professional qualification and HE qualifications (degree and masters) into the higher apprenticeship^[28]. Key to these revisions of the SASE is the desire and real need to "develop new, nationally-recognised, work-based progression routes to senior technician, managerial and professional level job roles and to provide employers with the opportunity to develop the occupational competence and technical knowledge employees require at degree levels to undertake defined job roles" pp1 UVAC Policy briefing note April 2013.

A Higher Apprenticeship Fund (HAF) was set up to develop a range of higher apprenticeship and fund 20,000 apprenticeships by 2015. An extra £25 million was delivered to fund a further 20,000 higher apprenticeship starts^[29]. A minimum standards for apprenticeships was produced in 2012 and it stated the following minimum:

- Minimum length of 12 months;
- Apprentices must spend at least 280 hours of 'guided learning' in their first year; 100 hours or 30% of all guided learning must be delivered off-the-job;
- Employed for a minimum of 30 hours per week;
- Apprenticeships must offer level 2 in Mathematics and English.

Employer-led apprenticeship standards are being developed through employer groups to become more responsive to employer needs^[29]. A previous broad apprenticeship evaluation employer survey in 2012-13^[1], identified a number of factors determining the apprenticeship scheme's successes and failures. The chart below shows a strong growth from 2009/10 to 2011/12, and then a decline in overall apprenticeships upto 2013/14^[30]. The apprenticeship framework achievement is recorder against the year it was achieved.

In a recent employer survey exploring the engagement and knowledge of apprenticeships, the majority (90%) of those employers participating in apprenticeships did so for over a year, and its was business in Engineering & Manufacturing Technologies and Construction, Planning & Built Environment who had been involved in apprenticeships for the longest^[1].

Equally, between 89% to 95% of all employers received formal training from a training provider, with over 50% of these feeling they had an influence over the training structure, content and delivery^[1].

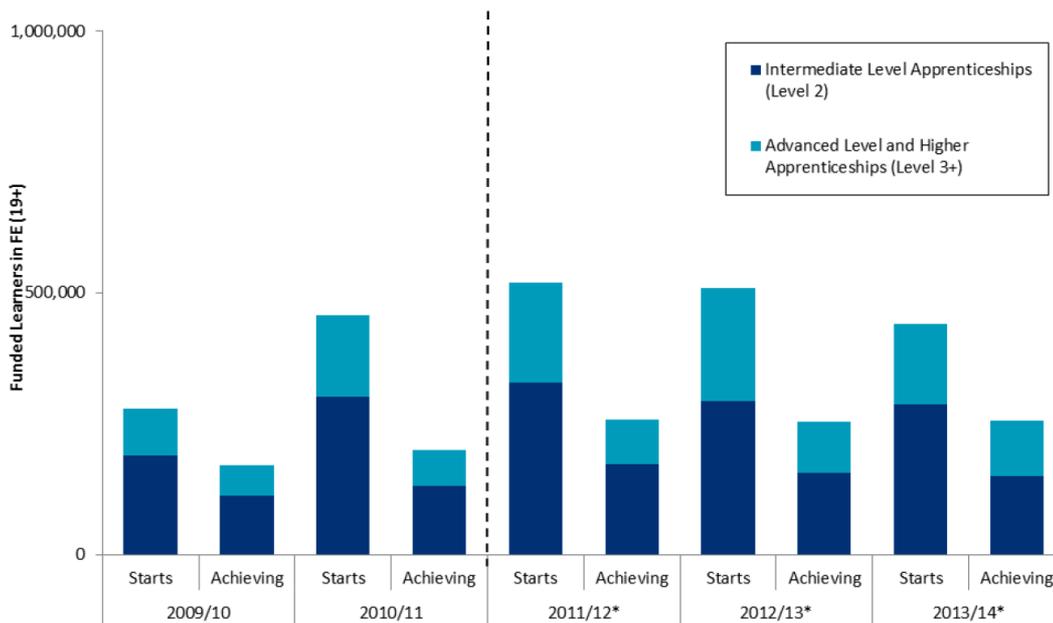


Figure 3.1 Apprenticeship Starts and Framework Achievements (Source: Apprenticeship Evaluation: Employers 2014)

3.1 Apprenticeship Participation (England)

Participation refers to the number of people who are undertaking an apprenticeship in a given period of time. This measure therefore quantifies the number of people on an apprenticeship programme through out that academic year. As a starting point, awareness of employers of the UK

Government’s apprenticeship offer varied significantly across sectors, and also by organization size:

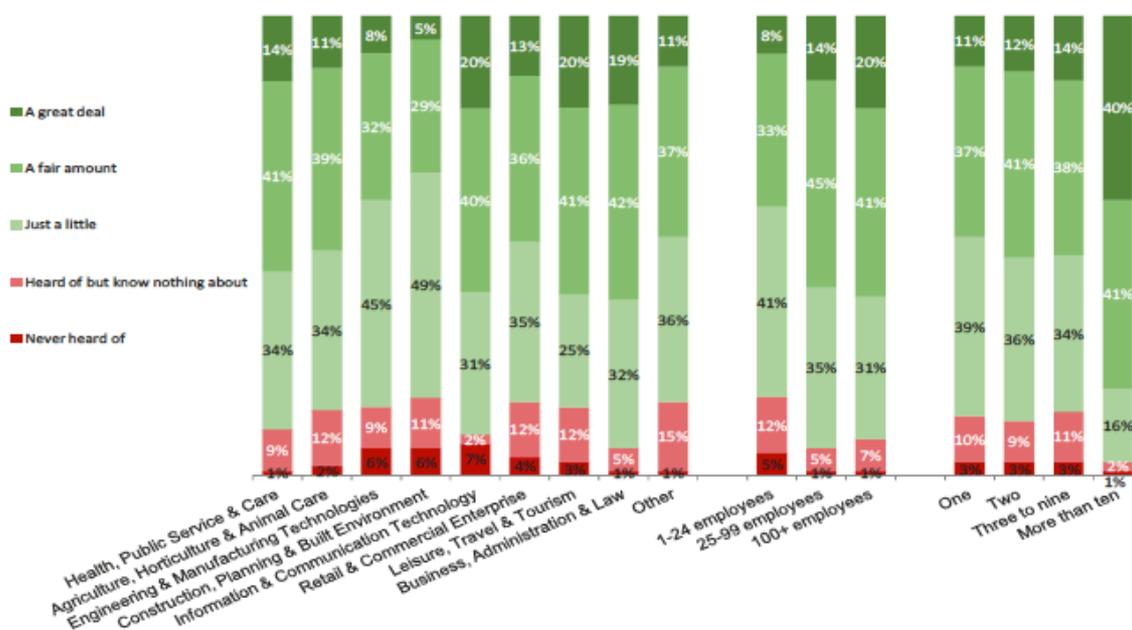


Figure 3.2 Overall Knowledge of Employers of Apprenticeship Programmes (source: Apprenticeships Evaluation: Employer, 2014)

The picture in 2011-12 was slightly different, with 71% of employer apprenticeships being to 16 – 18 year olds, and 73% to 19 – 24 year olds. 45% of employers had provided apprenticeships to the over-25's ^[1]. The graph below shows the split by age range, and by apprenticeship framework, see figure 3.3 below:

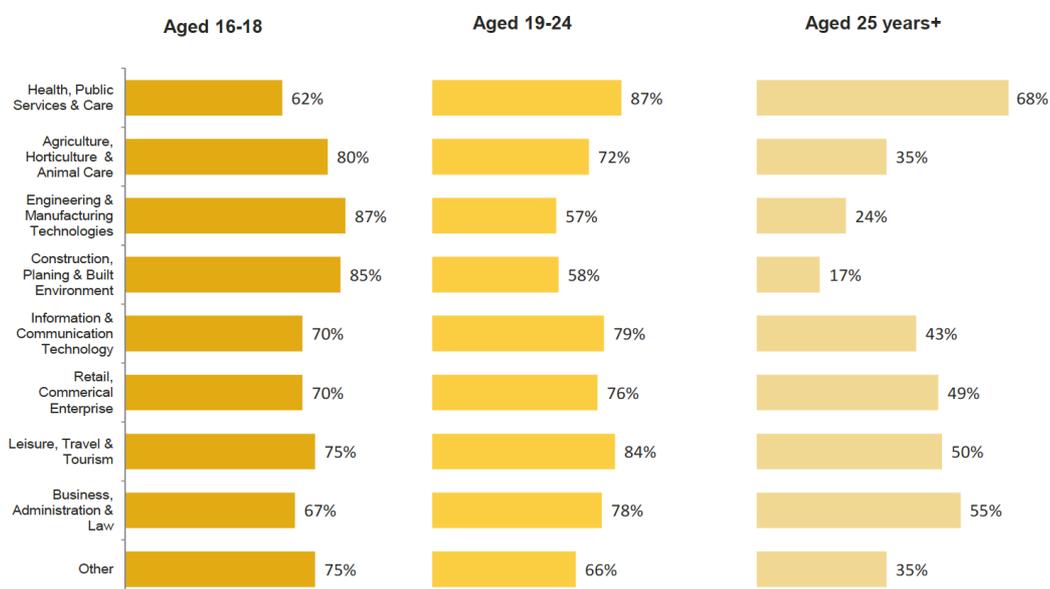


Figure 3.3 Age of Apprenticeships by Framework (source: Apprenticeships Evaluation: Employer)

The UKCEPS survey of employers perspectives in 2014, indicated that over 23% of all businesses that recruited young people (18 – 24 year olds) did so through either word-of-mouth, or by personal recommendations of other colleagues or through their business network^[31]. Only 4% of these businesses used either the National Apprenticeship Service (NAS) apprenticeship vacancies system or through training providers.

3.1.1 Apprenticeship Participation in England

The majority of employers (54%) recruit people specifically for apprenticeships, this is particularly strongest in Engineering & Manufacturing Technologies (76%) and Construction, Planning & Built Environment (80%) ^[1]. For apprenticeships undertaken by employees aged 25 or over, then frameworks in Health, Public Services & Care (68%) and Business, Administration & Law (55%) are most commonly undertaken.

Table 3.1 Apprenticeship Participation, by Age and Framework Level (source: BIS/SFA, 2015)

(July 2013 – Jun 2014)	Intermediate	Advanced	Higher	Total
Age	503,500	351,900	18,100	851,500
Under 19	134,500	58,100	1,000	185,800
19-24	176,800	137,300	5,700	308,900
25-49	160,700	136,400	9,700	303,900
50+	31,600	20,000	1,700	53,000

Notes: Table 4: all age demographics summary of apprenticeship participation (2013/14)

3.1.2 Apprenticeship Participation estimates in England, for 2014/15

There is predictably a correlation between the apprentice age and framework level. The following table contains estimates – the table here and above should not directly be compared these figures are from August 2014 – January 2015.

Table 3.2 Apprenticeship Participation, by Age and Framework level (Estimates for 2014/5) (source: BIS/SFA, 2015)

(August 2014 – January 2015)	Intermediate	Advanced	Higher	Total
Age	391,200	270,000	19,100	
Under 19	104,000	47,200	800	
19-24	140,600	117,300	5,900	
25+	146,600	105,500	12,400	

Notes: Table 19: all age demographics summary of apprenticeship participation (2014/2015)

Over 45% of all employers who have participated in apprenticeships across England, have recruited new or existing apprentices in the over-25s age range, this is most significant in the Health, Public Services & Care and Business Administration & Law ^[1]. The differences often reflect the different roles of apprentices within the business; were younger apprentices are often felt to be less appropriate within many service sectors, because of the nature of the work involved ^[1].

3.1.3 Apprenticeship Success Rates for 2013/14

Over 82% of all employers who participate in apprenticeships acknowledge that their apprentices had completed the formal training, with slightly more in older apprentices (over 25s) ^[1]. The following table highlights information collected and published by Skills Funding Agency and Department of Business Innovation and Skills ^[30]:

Table 3.3 Apprenticeship Success Rates, by Age and Framework level for 2013/14 (source: BIS/SFA, 2015)

(July 2013 – Jun 2014)	Intermediate	Advanced	Higher	Total
Age				
Under 19	69.5%	75.0%	66.9%	
19-24	68.7%	72.1%	76.1%	
25+	68.3%	64.9%	68.5%	

Notes: Table 4: all age demographics summary of apprenticeship participation (2013/14)

In the 2013 ‘Apprenticeships Evaluation: Employer’ report jointly produced by SFA and BIS, those employers who had experienced an apprentice not completing, 81% commented that it would make no difference to them offering apprenticeships in the future. Only 9% commented that they are ‘much less likely’ to offer apprenticeships in the future ^[1].

Benefits to the employer of these apprenticeship completions is the mean retention rate (73%) for these apprentices, with a significant increase among those apprenticeships to older staff ^[1].

3.1.4 Apprenticeship Programme Starts by Sector Subject Area 2011/12 – 2014/15

Apprenticeship starts refer to the number of programmes that begin in a given time period, this therefore indicates the overall take-up of the programmes in that year. Five sectors in particular made up two-thirds of all employers with apprentices: ‘Health, Public Services & Care (21%); ‘Retail & Commercial Enterprises’ (16%); ‘Engineering & Manufacturing Technologies’ (10%); ‘Business, Administration & Law (9%); and ‘Construction, Planning & Built Environment’ (9%)^[1].

The following table highlights information collected and published by Skills Funding Agency and Department of Business Innovation and Skills ^[32]:

Table 3.4 Apprenticeship Programme Starts by Framework Level (source: BIS/SFA, 2015)

	Intermediate Level	Advanced Level	Higher Level	All
Years				
2008/09	158,520	81,270	160	239,900
2009/10	190,530	87,660	1,490	279,700
2010/11	301,140	153,870	2,200	457,200
2011/12	329,000	187,880	3,700	520,660
2012/13	292,750	207,670	9,790	510,200
2013/14	288,500	144,700	9,200	440,400
2014/15**	148,300	92,700	7,500	248,700

Notes: Apprenticeship Programme Starts by year.

Of course, these programmes starts vary considerable across the sectors, with Business, Administration & Law, Retail & Commercial Enterprise, and Health, Public Service & Care accounting for over 75% of all apprenticeship starts, see table 3.5 below ^[33]. Employers in more traditional sectors such as Construction, Planning & Built Environment and Engineering & Manufacturing Technologies were more than 50% of apprentices are specifically recruited from new candidates. In sectors like Leisure, Travel & Tourism almost 83% of apprentices are recruited from existing staff ^[1].

Table 3.5 Apprenticeship Programme Starts, by Sector (source: BIS/SFA, 2015)

	2011/12	2012/13	2013/14	2014/15
Sectors				
Agriculture, Horticulture & Animal Care	7,570	7,090	7,060	4,060
Arts, Media & Publishing	1,210	1,120	1,410	790
Business, Administration & Law	164,830	160,410	125,900	66,120
Construction, Planning & Built Environment	13,920	13,730	15,890	13,230
Education & Training	7,550	8,050	4,750	3,520
Engineering & Manufacturing Technologies	69,730	66,410	64,830	45,640
Health, Public Services & Care	108,810	123,370	108,560	56,420
Information & Communication Technology	18,520	14,120	13,060	7,560
Leisure, Travel & Tourism	19,770	14,360	11,350	7,490
Retail & Commercial Enterprise	108,300	101,240	87,270	43,420
Science & Mathematics	370	320	360	220
Total	520,600	510,200	440,400	248,700

Notes: Apprenticeship Programme Starts by year, and sector

3.1.5 Apprenticeship Programme Starts, by Sector and Framework Level 2013/14

Business size is also a factor in the recruitment of apprentices, with large enterprise who employ a larger number of apprentices recruiting these from existing staff members, whilst smaller businesses with only one apprentice are more likely to have been newly recruited ^[1]. Another interesting correlation is between those businesses that have been involved in apprenticeships for over 10 years and their recruitment of specific apprentices for the role (67%), rather than choosing an internal candidate. The majority of these specifically recruited apprentices are on fixed term contracts, normally being the length of the apprenticeship ^[1]. The following table highlights information collected and published by Skills Funding Agency and Department of Business Innovation and Skills ^[34], see table 3.6 below. Five sectors account for over 75% of all apprentice employment: Business, Administration & Law; Engineering & Manufacturing Technologies; Health, Public Services & Care; Retail & Commercial Enterprise; and Construction, Planning & Built Environment.

Table 3.6 Apprenticeship Programme Starts, by Sector and Framework Level 2013/14 (source: BIS/SFA, 2015)

	Intermediate Level	Advanced Level	Higher Level	All
Sectors				
Agriculture, Horticulture & Animal Care	4,960	2,050	40	7,060
Arts, Media & Publishing	340	1,050	30	1,410
Business, Administration & Law	84,670	36,870	4,360	125,900
Construction, Planning & Built Environment	12,600	3,210	70	15,890
Education & Training	1,930	2,830	0	4,750
Engineering & Manufacturing Technologies	39,110	25,450	270	64,830
Health, Public Services & Care	61,480	43,540	3,540	108,560
Information & Communication Technology	4,590	7,820	660	13,060
Leisure, Travel & Tourism	6,510	4,840	0	11,350
Retail & Commercial Enterprise	70,220	16,800	250	87,270
Science & Mathematics	80	280	0	360
Total	286,500	144,700	9,200	440,400

Notes: Apprenticeship Programme Starts by year, and sector

In England those five sectors represent 45% of all businesses, and 46% of all employment, suggesting that apprenticeship recruitment is still relatively low against other recruitment pathways.

3.1.6 Apprenticeship Framework Achievements, by Sector Subject Area

2010/11 – 2013/14

Nine in ten employers (90%) reported they have been providing formal apprenticeships for over a year. 38% of employers had been offering formal apprenticeships for more than five years, including 21% who have been offering them for more than 10 years^[1].

The following table highlights information collected and published by Skills Funding Agency and Department of Business Innovation and Skills ^[35]:

Table 3.7 Apprenticeship Framework Achievements, by Sector (source: BIS/SFA, 2015)

	2010/11	2011/12	2012/13	2013/14
Sectors				
Agriculture, Horticulture & Animal Care	4,120	3,840	4,230	4,480
Arts, Media & Publishing	330	430	470	540
Business, Administration & Law	57,950	80,470	76,840	79,480
Construction, Planning & Built Environment	14,240	12,600	9,060	8,030
Education & Training	770	2,300	3,770	3,950
Engineering & Manufacturing Technologies	31,190	34,550	37,180	37,240
Health, Public Services & Care	28,230	41,770	52,060	57,830
Information & Communication Technology	10,510	9,400	7,580	7,840
Leisure, Travel & Tourism	11,160	14,080	9,780	8,790
Retail & Commercial Enterprise	41,770	58,980	51,780	47,440
Science & Mathematics	0	0	120	140
Total	220,300	258,400	440,400	248,700

Notes: Apprenticeship Programme Starts by year, and sector

3.1.7 Offer of progression beyond Level 3, by Sector

Overall over 57% of employers with apprenticeships completing Level 3 said they offered at least one form of progression.

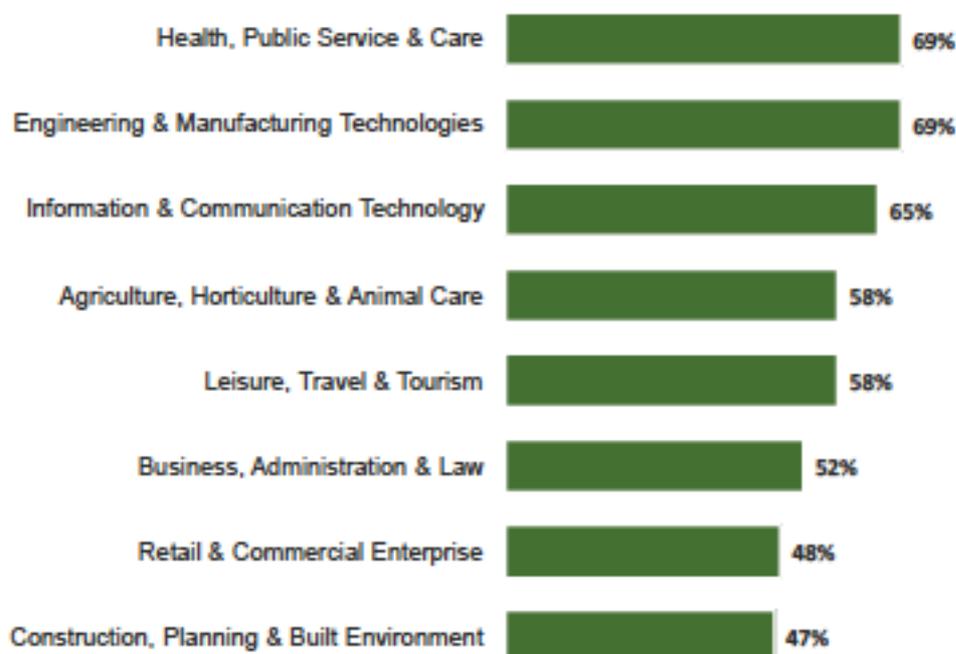


Figure 3.4 Offer of Progression beyond Level 3, by Framework (source: Apprenticeships Evaluation: Employer, 2014)

Interestingly, over 15.4% of advanced apprenticeship achievers, i.e. those who have completed, progressed to higher education within 7 years of starting their original apprenticeships. Over 44% of

these progressions were into university, and 78% of those were in to part-time programmes, suggesting they were still working whilst studying. There is a wide variation in these part-time to full-time splits, over 78% of those in the Health, Public Services & Care sector study higher education full-time, however 91% of Engineering & Manufacturing technologies sector apprentices go into part-time higher education ^[36].

3.2 Hertfordshire Apprenticeship Starts, Participation and Achievements

The research presented in this section originates from the Skills Funding Agency and Department for Business Innovation & Skills data tables available at

<https://www.gov.uk/government/statistics/learner-participation-outcomes-and-level-of-highest-qualification-held>.

Additional comparison research has been added to further understand the similarities and differences between this data and that collected in the HBHDAS research study.

3.2.1 Hertfordshire Apprenticeship Programme Starts, by Sector

Hertfordshire businesses engagement with apprenticeship programmes across all levels is just 1% of that of all English Businesses. Yet Hertfordshire businesses represent 3% of English Businesses, some of this could be explained by the above average skills/qualifications held by Hertfordshire employees? The following table highlights the Apprenticeship programme starts in Hertfordshire ^[34].

Table 3.8 Hertfordshire Apprenticeship Programme Starts in Hertfordshire (source: BIS/SFA, 2015)

Apprenticeship Programme Starts	Total
2009/10	3,320
2010/11	6,440
2011/12	6,920
2012/13	7,080
2013/14	6,010
2014/15	3,250**

Notes: Table 4: ** estimate figures for August 2014 – January 2015

In 2013/14, Hertfordshire businesses engaged in 3,880 intermediate apprenticeships just over 1% of all English apprenticeship starts, 2,000 advanced apprenticeships 1.5% of all English apprenticeship starts, and 120 higher apprenticeships, less than 1% of all English apprenticeships. The following table highlights information collected and published by Skills Funding Agency and Department of Business Innovation and Skills^[33]:

Table 3.9 Apprenticeship Programme Starts, by Level (source: BIS/SFA, 2015)

	Intermediate Level	Advanced Level	Higher Level	All
Years				
2008/09	1,950	910	0	2,670
2009/10	2,140	1,160	20	3,320
2010/11	4,020	2,410	20	6,440
2011/12	4,380	2,490	60	6,920
2012/13	4,180	2,760	130	7,080
2013/14	3,880	2,000	120	6,010
2014/15	1,910	1,220	120	3,250**

Notes: Apprenticeship Programme Starts by Local Education Authority, Local Authority, Level and Age (2005/06 to 2014/15 in-year estimates) ** 2014/15 are provisional numbers from August 2014 to January 2015.

Similar to the overall English landscape where over 75% of apprenticeships are from the four sectors in Hertfordshire: Business, Administration & Law; Engineering & Manufacturing Technologies; Health, Public Services & Care; and Retail & Commercial Enterprise. The following table highlights information collected and published by Skills Funding Agency and Department of Business Innovation and Skills ^[33, 34]:

Table 3.10 Hertfordshire Apprenticeship Programme Starts, by Sector (source: BIS/SFA, 2015)

	2011/12	2012/13	2013/14	2014/15
Sectors				
Agriculture, Horticulture & Animal Care	120	100	90	50
Arts, Media & Publishing	30	20	30	10
Business, Administration & Law	2,130	1,970	1,660	780
Construction, Planning & the Built Environment	140	130	180	160
Education & Training	110	80	50	40
Engineering & Manufacturing Technologies	970	1,030	830	540
Health, Public Services & Care	1,270	1,680	1,410	700
Information & Communication Technology	340	200	200	120
Leisure, Travel & Tourism	270	250	230	190
Retail & Commercial Enterprise	1,540	1,600	1,330	650
Science & Mathematics	10	19	0	0
Total	6,920	7,080	6,010	3,250

Notes: Apprenticeship Programme Starts by Local Education Authority, Local Authority and Sector Subject Area (2005/06 to 2014/15 in-year estimates) ** 2014/15 are provisional numbers from August to January.

3.2.2 Apprenticeship Participation, by Sector for 2009/10 to 2014/15

National studies show that currently just over 200,000 employer workplaces employ apprentices, this unfortunately represents just 13% of all employers in England ^[37]. The following table highlights the Apprenticeship programme participation in Hertfordshire^[38].

Table 3.11 Apprenticeship Programme Participation in Hertfordshire (source: BIS/SFA, 2015)

Apprenticeship Programme Participations	Total
2009/10	5,770
2010/11	8,960
2011/12	11,070
2012/13	12,140
2013/14	11,900

Notes: Apprenticeship Programme Participation by Local Education Authority, Local Authority (2009/10 to 2013/14)

Tables 3.11 above, and 3.12 below, highlight those apprenticeship programmes that have been started in the year, and also those that are currently ongoing. The following table highlights information collected and published by Skills Funding Agency and Department of Business Innovation and Skills [35, 39]:

Table 3.12 East of England Apprenticeship Participation, by Sector (source: BIS/SFA, 2015)

	2010/11	2011/12	2012/13	2013/14
Sectors				
Agriculture, Horticulture & Animal Care	1,590	1,610	1,750	1,880
Arts, Media & Publishing	180	230	180	190
Business, Administration & Law	14,650	19,850	22,450	21,310
Construction, Planning & the Built Environment	3,880	2,920	2,300	2,390
Education & Training	350	820	1,100	1,060
Engineering & Manufacturing Technologies	8,980	10,660	12,470	12,420
Health, Public Services & Care	10,460	14,850	18,250	19,350
Information & Communication Technology	2,560	2,590	1,120	1,920
Leisure, Travel & Tourism	2,350	2,340	2,260	2,270
Retail & Commercial Enterprise	13,350	16,190	16,340	15,750
Science & Mathematics	0	40	90	90
Total	58,350	71,170	78,970	78,590

Source: Apprenticeship Participation by Region and Sector Subject Area (2009/10 to 2014/15 in-year estimates)

** this is all genders and ages

3.2.3 Hertfordshire Apprenticeship Framework Achievements by Level

2008/09 to 2013/14

The national figure for apprenticeship completion is around the 82% level [1]. The Hertfordshire apprenticeship framework completions are broadly similar to the national completion rates. The highest completion rates by sector are: Health, Public Sector & Care (93%); Information & Communication Technology (93%); and Business, Administration & Law (91%). The lowest completion rates are in: Engineering & Manufacturing Technologies (85%); Agriculture, Horticulture & Animal Care; and Construction, Planning & Built Environment (87%). The following table highlights

information collected and published by Skills Funding Agency and Department of Business Innovation and Skills^[40] :

Table 3.13 Apprenticeship Achievements, by Level (source: BIS/SFA, 2015)

	Intermediate Level	Advanced Level	Higher Level	All
Years				
2008/09	1,140	570	0	1,710
2009/10	1,190	740	0	1,930
2010/11	1,620	960	10	2,590
2011/12	2,200	1,130	10	3,340
2012/13	2,230	1,200	20	3,450
2013/14	-	-	-	3,540

Notes: Apprenticeship Framework Achievements by Local Education Authority, Local Authority, Level and Age (2005/06 to 2012/13)

Interestingly, the most common reason for apprentice’s not completing their apprenticeships were related to personal reasons, either ‘having left the company’, ‘disinterested’ or ‘changing jobs’^[1]. Hertfordshire employers who had experienced apprenticeship programmes reported a range of financial and skills related benefits, clearly demonstrating the actual benefits delivered by the apprentices both in terms of qualifications gained and skill applied in the workplace:

“We recruited the apprentice based on their attitude more than their existing qualifications. So when completed the apprenticeship we were not at all surprised to see them develop within the company. They are now a very valued member of the team, and most importantly are quick to suggest new ideas to improve things”. [Leisure, Travel & Tourism]

3.3 English Apprenticeship Provider Type and Level

With the revisions to the Specification of Apprenticeship Standards for England (SASE) to further extend Higher Apprenticeships (HA) to include level 6 & 7, back in April 2013. This placed Higher Educational Institutions (HEIs) and Higher Education (HE) in Further Education Colleges (FEC) at the centre of Higher/Degree Apprenticeship (HDA) provision^[28]. With the extension of HDA’s to levels 6 & 7, has provided those HEI’s who differentiate themselves based on work-based and vocational learning, with a significant opportunity to draw on the strong apprenticeship brand to engage more with their local SME community. In 2011-12, there were over 520,000 apprenticeship starts, engaging over 200,000 employers across England. Equally, for professional bodies there has been an increased attraction to HDAs, particularly as a progression route for professionals in their respective sectors to gain full chartered membership^[28]. The HDA offers awarding organisations, professional bodies, FECs and other private sector training providers the opportunity to develop nationally recognised learning pathways through level 4 – 7, certainly a threat to HEIs!

3.3.1 Higher Educational Institutions involvement in Higher/Degree Apprenticeships

The list below in Table 3.7 is not complete but does indicate the level of interest and evaluation of the HDA delivery, and the engagement of HEIs in this fast growing training provision sector.

Table 3.14 Higher Education Institutions (HEIs) interest in HLAs (source: uvac.ac.uk)

Institutions	Level of Involvement in HLAs	Additional Comments
Plymouth University	Investigating HA delivery	Members of UVAC
Liverpool John Moores University	Developing Higher and Degree Apprenticeships	Members of UVAC
University of Derby	Website: HA in Mineral products technology HA Work-based learning practitioners HA Apprenticeship for Assistant Practitioners (Health & Social Care) HA for Advanced Manufacturing Engineering	Link to the PERA survey
University of Greenwich	HA in Sustainable Built Environment	Developing HA in Business and Professional Administration.
Rolls Royce	3.5 years for a Higher Apprenticeships scheme in Supply Chain Management, Projects Analyst/Controller, Engineering and Manufacturing Engineering.	30% of senior managers started with the business in apprenticeships.

3.3.2 English Apprenticeship Programme Starts, by Provider Type and Level 2011/12

Continued effective national promotion by National Apprenticeship Services (NAS), education and training providers and broader employers bodies (BCC, CBI, etc.) is targeting employers and potential apprentices, but more is needed if the HDA scheme is to gain significant momentum^[41]. The following table highlights information collected and published by Skills Funding Agency and Department of Business Innovation and Skills^[42]:

Table 3.15 Apprenticeship Programme Starts, by Level for 2011/12 (source: BIS/SFA, 2015)

	Intermediate Level	Advanced Level	Higher Level	All
Years				
General FE Colleges	97,750	56,800	1,280	155,800
Sixth Form Colleges	780	480	20	1,300
Special Colleges	2,920	1,440	0	4,400
Other public Funded	21,880	11,100	60	33,000
School	60	30	0	90
Private Sector Public Funded	205,600	118,030	2,330	326,000
Total	329,000	187,900	3,700	520,600

Notes: Apprenticeship Starts and Achievements by Provider Type, Age and Level (2011/12)

3.3.3 England Apprenticeship Achievements, by Provider Type and Level 2011/12

60% of all employers choose private training providers over public providers to deliver their training. One significant reason for this is the help in the initial recruitment of the apprentice, with over 50% of employers leaving the recruitment to the training provider ^[1]. The following table highlights information collected and published by Skills Funding Agency and Department of Business Innovation and Skills^[42]:

Table 3.16 Apprenticeship Programme Achievements, by Level for 2011/12 (source: BIS/SFA, 2015)

	Intermediate Level	Advanced Level	Higher Level	All
Years				
General FE Colleges	45,450	22,720	300	68,500
Sixth Form Colleges	510	280	10	800
Special Colleges	1,730	560	0	2,300
Other public Funded	11,950	5,340	0	17,300
School	30	10	0	40
Private Sector Public Funded	112,770	55,770	930	169,500
Total	172,400	84,700	1,200	258,400

Notes: Apprenticeship Starts and Achievements by Provider Type, Age and Level (2011/12)

In Hertfordshire there are two key networks that not only benefit the training providers but also do an excellent task of supporting and guiding potential employers' engagement with these apprenticeship programmes, these are the Beds and Herts Provider Network (www.bedsandherts.com) and the Herts & South Cambs Ambassador Network.

"The Hertfordshire & South Cambridgeshire Ambassador Network is very engaged with apprenticeship – we support and offer guidance to all employers through our members".
[Ambassador Network]

4 England/Hertfordshire Businesses – Perceptions of the Higher/Degree Apprenticeship Programme

Section Summary

Knowledge and Engagement with Higher/Degree Apprenticeships

- With just 50% of employers who have completed an apprenticeship programme in the last twelve months suggesting that they knew a ‘great deal’ or ‘a fair amount’ about the overall apprenticeship programmes, then the HBHDAS findings of just 4% of employers having some knowledge of or experience of higher/degree apprenticeships is not that surprising.
- A minority of between 5 – 33% had heard of the ‘Government’s Apprentice Offer’, with the Health, Public services & Care being the best at 33%, and the Information & Communication Technology the worst at 5%.

Challenges and Issues for Hertfordshire Businesses

- Perceived benefits from a higher/degree apprenticeship are consistent across the sectors, with ‘winning business’ through improvements in product and service quality, and productivity, slightly edging staff benefits like ‘improved staff morale’ and ‘improved staff retention’.

A previous broad apprenticeship evaluation employer survey in 2012-13^[1], identified a number of factors determining the apprenticeship scheme’s success and failure. Some of these were re-visited in the HBHDAS research study, reported on in this section.

4.1 Hertfordshire Businesses Engagement and Experience of Higher/Degree Apprenticeships (HDA)

The stratified sample was conducted across six key sectors:

1. Health, Public Services & Care
2. Engineering & manufacturing Technologies
3. Construction, Planning & Built Environment
4. Information & Communication Technology
5. Retail & Commercial Enterprise
6. Business, Law & Administration

4.1.1 Hertfordshire Businesses engagement and experience of HDA

Hertfordshire businesses were asked if they had employed an apprentice over the last 3 years.

Approximately a third of respondents had employed an apprentice, see figure 4.1.



Figure 4.1 Engagement in Apprenticeship in last three years (source: HBHDAS, 2015)

When those who had employed an apprentice were asked if this was a higher level apprentice, then just over 13% positively responded, see figure 4.2 below. Over 70% of HBHDAS respondents who had an apprenticeship in the last three years commented that they were still working for them, this compares favourably to the national figure of 76% ^[1]. Interestingly, of those employers who had a apprentice recently only 13% had experience of higher/degree apprenticeships, only 10% acknowledged that they knew a ‘great deal’ about the scheme, often feeling less than ‘up-to-date’ with all its details/benefits.

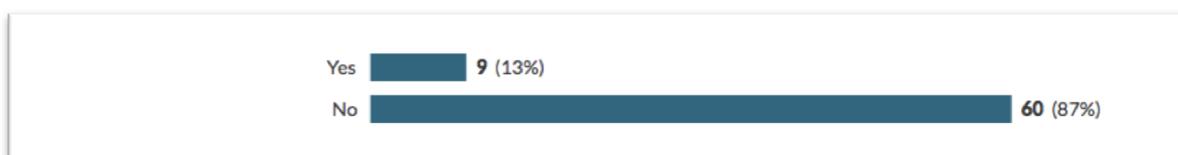


Figure 4.2 Experience of Higher/degree Apprenticeships (source: HBHDAS, 2015)

4.1.2 Hertfordshire Businesses’ Knowledge of Higher/Degree Apprenticeships

Both in terms of those who had offered apprenticeships in the last three years, and those who had experience of higher/degree apprenticeships the majority of these felt as though there was sufficient information, support and general guidance available to help them in potentially offering future apprenticeships at this level. This compares favorably with the national picture where 68% of those employers already engaged in apprenticeship programmes, and those considering offering an apprenticeship in the near future, felt there was sufficient information, support and guidance ^[1]. There was however a difference based on business size, where small businesses were twice as likely to attest to there being insufficient information, support and guidance, compared to large businesses. Overall, this suggests that future provision should be focused on reaching and engaging with these small businesses.

Of those Hertfordshire businesses' that have not engaged with an apprenticeship in the last three years, we asked them to comment on their knowledge of higher/degree apprenticeships as an alternative to recruiting full-qualified graduates, see table 4.1 below:

Table 4.1 Hertfordshire Businesses' Knowledge of Higher/Degree Apprenticeships (source: HBHDAS, 2015)

	Never heard of it	Heard of it	Just a little	A fair amount	A great deal
Sectors					
Health, Public Services & Care	80%	7%	13%	0%	0%
Business, Administration & Law	66%	33%	0%	0%	0%
Engineering and Manufacturing Technologies	80%	20%	0%	0%	0%
Information & Communication Technology	100%	0%	0%	0%	0%
Construction, Planning & Built Environment	100%	0%	0%	0%	0%
Retail & Commercial Enterprise	100%	0%	0%	0%	0%
Leisure, Travel & Tourism	66%	33%	0%	0%	0%

Across England the picture is very similar for businesses understanding of apprenticeships. The bottom three sectors with a lot, or some, knowledge of apprenticeships were, see figure 4.3 below:

1. Construction, Planning & Built Environment (34%)
2. Engineering & Manufacturing Technologies (41%)
3. Retail & Commercial Enterprise (49%)

Those sectors that are at the top regarding having a lot, or some, knowledge of apprenticeships were:

1. Business, Administration & Law (61%)
2. Leisure, Tourism and Travel (61%)
3. Information & Communication Technology (60%)

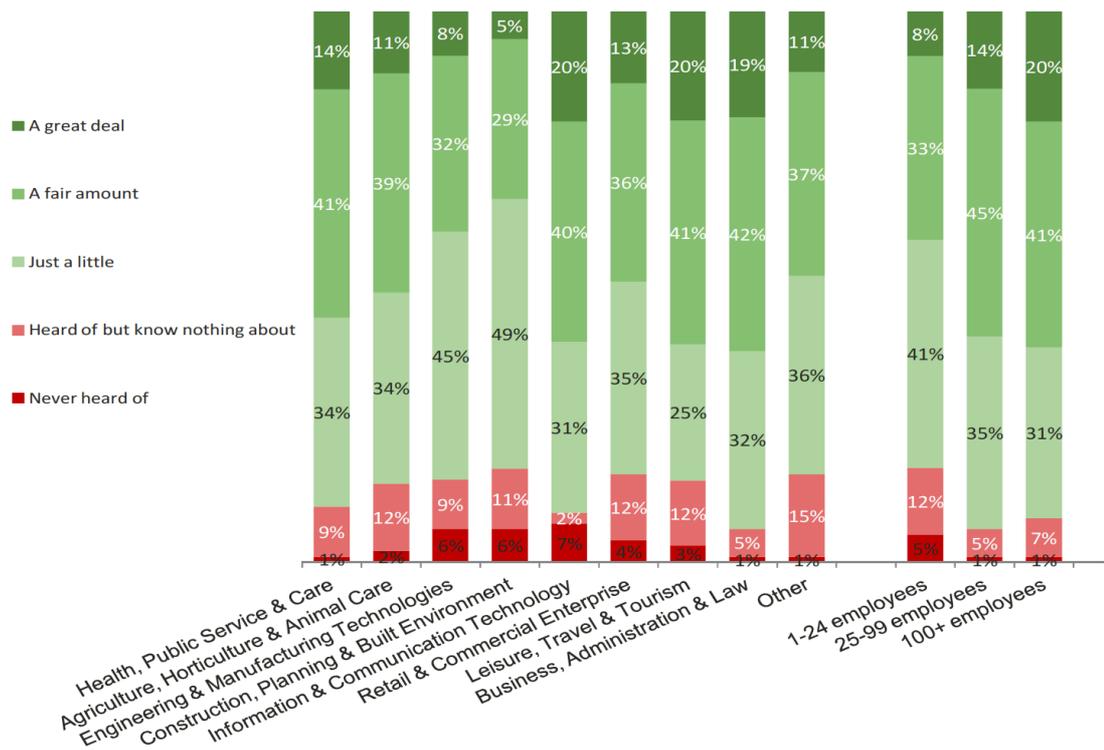


Figure 4.3 English Businesses Knowledge of Apprenticeships (source: BIS/SFA 2014)

4.1.3 Hertfordshire Businesses' Expectations of Apprenticeships

For those Hertfordshire businesses who had not previously engaged in an apprenticeship programme, basic information about higher/degree apprenticeships was given:

Higher or degree level apprenticeships offer a work-based learning programme and lead to a nationally recognised qualification at one of the following:

- a level 4 and 5 - equivalent to a higher education certificate (L4), a higher education diploma or a foundation degree (L5).
- a level 6 - equivalent to a bachelor degree
- a level 7 - equivalent to a masters degree

Over 40 different subjects are currently covered, representing hundreds of job roles. Depending on eligibility, there are grants available to fund the training. There are loans available to individuals not meeting the eligibility criteria?

These respondents were then given some choices regarding anticipated benefits from employing a higher/degree apprentice, see figure 4.4 below.

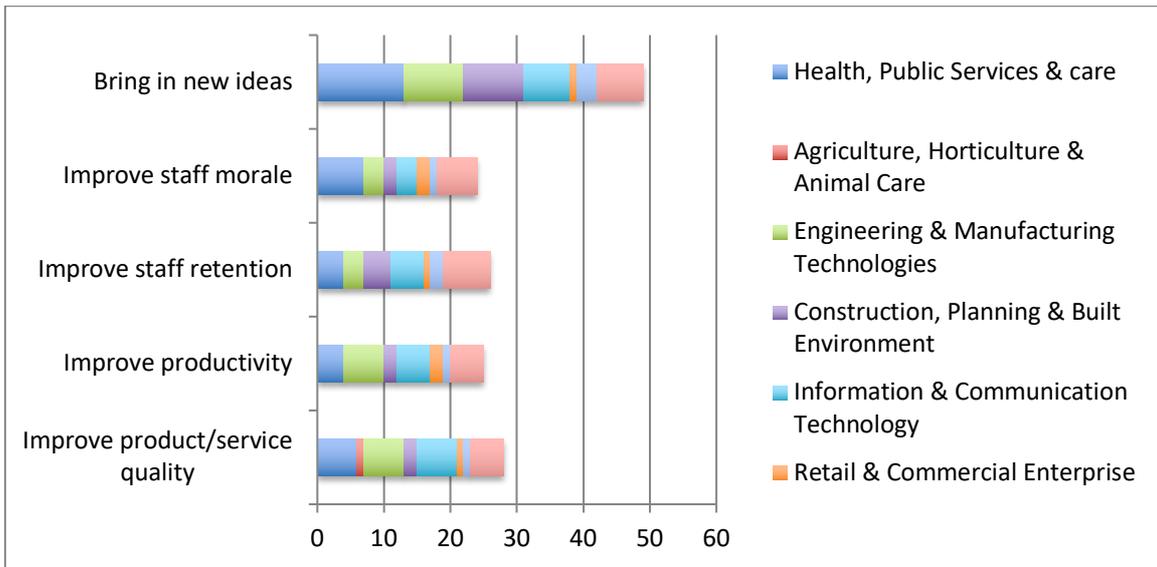


Figure 4.4 Hertfordshire Businesses Anticipated Benefits from an HDA (source: HBHDAS, 2015)

Interestingly, Hertfordshire businesses were almost unanimous on HDA’s ‘bringing in new ideas’, followed by ‘improvements in the product/service quality’, and then overall ‘improvement in staff retention’. Considering nearly two-thirds of new apprenticeship programme starts are for existing staff, and those over 24 years of age, this is a very positive perspective. National studies have correlated that those employers who recruited existing staff to their apprenticeship programme were more likely to cite staff related benefits ^[1, 43].

The English business landscape picture of anticipated benefits from overall apprenticeship engagement is similar, with ‘improvement in product or service quality’, then ‘improvements in productivity’ coming first and second, see table 4.2 below.

Table 4.2 England Businesses Anticipated Benefits from Recruiting an Apprentice (source: Apprenticeship Evaluation: employers, 2014)

Table 6: Anticipated business benefits by approach to recruitment			
	Total	Recruited specifically as apprentices	Recruited from existing employees
Base	4,009	2,076	2,312
Improve your product or service quality	83%	77%	90%
Improve productivity	79%	78%	82%
Improve staff retention	75%	69%	82%
Improve staff morale	75%	67%	84%
Improve your ability to attract good staff	71%	72%	70%
Bring new ideas to the organisation	66%	62%	72%
Improve your image in the sector	59%	58%	62%
Win business	33%	32%	35%
Lower overall wage bill	24%	29%	20%
Average	63%	60%	66%

The HBHDAS research findings largely concur with the national picture, with the majority of businesses selecting ‘winning business’ though ‘bringing new ideas’ and ‘improved product and service quality’, and ‘improving productivity’. This was most commonly selected by the smaller businesses, whereas large businesses were more attracted by the potential impact of ‘improvement in image in the sector’ [1]. What’s even more encouraging is that when businesses actually take on these apprentices, their ‘hoped to achieve’ aspirations are in nearly all cases exceeded at the completion of the apprenticeship.

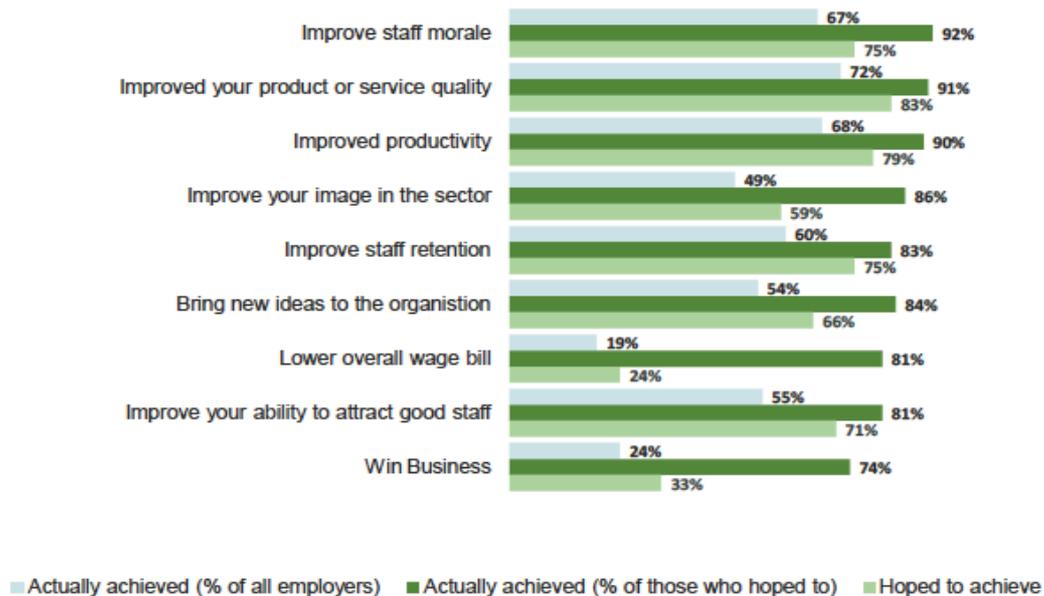


Figure 4.4 England Businesses ‘Hoped to Achieve’ vs. ‘Actually Achieved’ (source: Apprenticeship Evaluation: employers, 2014)

Hertfordshire businesses had some broader comments on the perceived benefits from engaging higher/degree apprenticeships:

Skills Related

“Definitely, someone who has all round knowledge across all aspects, able to update our perspective”. [Business, Administration & Law]

“Recruiting a higher level apprentice would be highly beneficial for the additional skills they may bring with them, I can see this helping to evolve the direction of the company”. [Information & Communication Technology]

“Can see how they would be good for the company, having the right skills set so they can be a valuable asset in the future”. [Business, Administration & Law]

Opportunities for Advancement

“We are continually looking at ways to advance existing staffs careers to give them opportunities for promotion, this is clearly a better way to go, and more hands on for their workplace learning”. [Engineering & Manufacturing Technologies]

“This is a win-win scenario, it offers a mix of good higher skills an organization like ours wants, and it offers our staff a degree apprenticeship”. [Engineering & Manufacturing Technologies]

“This is a great scheme to help us develop our people, and progress into new added-value roles”. [Business, Administration & Law]

4.1.4 Hertfordshire Businesses Perception of the Attractiveness of HDA’s

HBHDAS research respondents when given the basic information about higher/degree apprenticeships, the funding and support from training providers, the response then to the question of ‘Do you find Higher/Degree Apprenticeships an attractive alternative proposition to employing degree-qualified graduates’, then the answers were very encouraging, see table 4.4 below.

Table 4.4 Are Higher/Degree Apprenticeships attractive to your existing employees, or to recruit new staff (source: HBHDAS, 2015)

	Very Attractive	Attractive	Unattractive	Very Unattractive
Sectors				
Health, Public Services & Care	47%	27%	13%	13%
Business, Administration & Law	0%	78%	11%	11%
Engineering & Manufacturing Technologies	53%	17%	18%	12%
Information & Communication Technology	38%	38%	24%	0%
Construction, Planning & Built Environment	24%	76%	0%	0%
Retail & Commercial Enterprise	0%	25%	0%	75%
Leisure, Travel & Tourism	60%	0%	20%	20%

Overall, attractiveness is also based on what these new employer-led apprenticeships standards deliver to small and medium-sized businesses, will they meet their skills needs and be overall simpler to access and fund? Hertfordshire businesses had additional comments about the broad attractiveness of the higher/degree apprenticeship programme, and some concerns also:

Resource Capacity

“We feel apprenticeships can be very draining, and before we take on any more we would need to find more funding and support”. [Business, Administration & Law]

“We just need more information, it certainly looks of interest to us, how can we some support & guidance?”. [Business, Administration & Law]

Access to Funding & Support

“Find it hard to find colleges who support higher/degree apprenticeships, government needs to encourage more colleges to engage”. [Engineering & Manufacturing Technologies]

Staff Retention & Recruitment

“Only feel that NVQ level 2 & 3 apprentices are for us, no point in others being taken on when they just apply for more money, when we finish training them”. [Health, Public Services & Care]

“Don’t feel higher/degree level apprenticeships are for our sector and us. We tend to take on only NVQ level 2 or 3 apprentices”. [Business, Administration & Law]

4.1.5 Hertfordshire Businesses’ reasons for Engaging in a HDA

Of those 27% of Hertfordshire businesses who were interested in knowing more about the higher/degree apprenticeship, over 73% when given further information were positive about engaging in the near future, see figure 4.5 below.

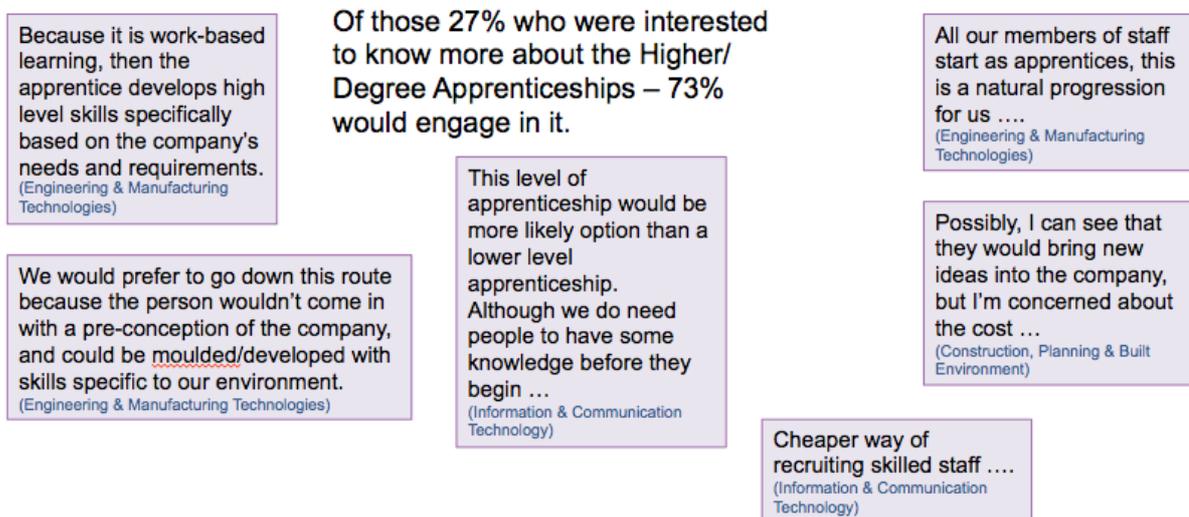


Figure 4.5 Comments on the reasons for engaging in a HDA programme (source: HBHDAS, 2015)

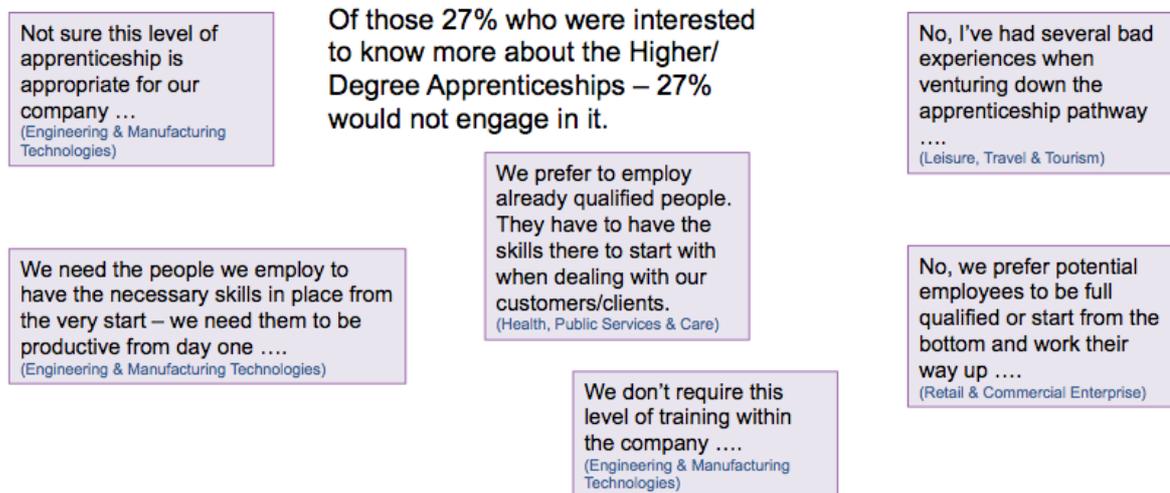
Hertfordshire businesses who expressed an interest in higher/degree apprenticeships acknowledged that the main reason for engaging in these programmes would be to improve overall skills level, company knowledge and enhancement of staff career development – importantly reflected in the perception that staff retention would increase as a consequence (HBHDAS, 2015).

National studies show us that of those employers who have employees who have completed level 3 training over 57% are keen to offer these staff further qualifications, with nearly 27% already having these same employees going onto further qualification programmes, nearly 34% of these employees were offered an higher/degree apprenticeship ^[1]. Interestingly, only one in three who were offered further qualification training by their employers actually took it up.

4.1.6 Hertfordshire Businesses’ reasons for not engaging in a HDA

Of those 27% of Hertfordshire businesses who were interested in know more about the higher/degree apprenticeship, over 27% when given further information were negative about engaging in the near future, see figure 4.5 below.

Figure 4.6 Comments on the reasons for not engaging in a HDA programme (source: HBHDAS, 2015)



4.1.7 Hertfordshire Businesses’ Preferences for Delivery Mode

Of those businesses who have either a current apprenticeship programme, or are interested in engaging in a higher/degree apprenticeship programme , over 64% expressed a preference for a ‘one day a week’ delivery for the in-class delivery, see figure 4.7 below.

Mode of Delivery

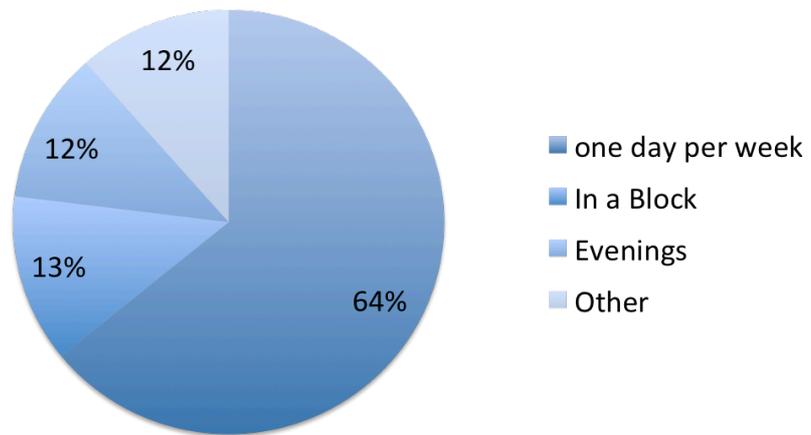


Figure 4.7 Hertfordshire Businesses' Preferred Delivery Mode (source: HBHDAS, 2015)

5 Summary of Findings

In this Hertfordshire Businesses Higher/Degree Apprenticeship Survey (HBHDAS) the study uncovered the following key findings:

- Over 58.3% of working Hertfordshire residents have a NVQ level 3 or below qualification;
- Over 78% of Hertfordshire businesses surveyed acknowledge that at least one of their current staff members has some skills gap relating to their current role and responsibilities;
- Over 45% of businesses reported a significant difficulty in recruiting new staff with all the necessary skills for the post;
- The top three causes of business skills gaps were:
 - Need to introduce new products and services;
 - Bringing in new technologies
 - Changing roles and responsibilities of existing staff
- Over 57% of employers with apprentices completing at NVQ level 3 said they offered at least one form of progression, only one in three employees take up further qualification training;
- Employers are four times more likely to participate in an apprenticeship programme if approached first by a training provider. Only 15% of HBHDAS respondents had heard of higher or degree apprenticeships;
- Retention rates from the HBHDAS respondents were at 70%, which compares favourably with the national figure of 76%.
- Employers in Business, Administration & Law; Leisure, Travel & Tourism; Retail & Commercial Enterprise; Health, Public Service & Care are twice as likely to recruit existing staff than take on new recruits;
- The majority of those employers who do take on advanced or higher apprenticeships do so on a fixed term contract for the period of the apprenticeship;
- Over 80% of those employers who had experience of apprenticeship programmes in the last three years were highly satisfied or very satisfied with its delivery and the apprentices completing the programme at the end;

6 Recommendations

In the recent Richard Review of 2012, stressed was placed on the importance of design, support and consistent messaging from all parts of the apprenticeship training industry “to ensure that in the future the programme is meeting the needs of the changing economy, consistently delivers the professionally recognized qualifications and skills which employers and learners need, and is maximizing the impact of government”^[25]. In this HBHDAS employers were consistent in being concerned that:

- Hertfordshire Business Higher/Degree Apprenticeship Survey and national studies continue to highlight the relatively low awareness of employers to both the existence of higher/degree apprenticeships, and even those who have previously engaged with apprenticeship programmes. Training providers are important for recruiting employers onto the apprenticeship, however, the national findings suggest that improvements could be made on how these providers are presenting higher/degree apprenticeships to their existing business clients?
- Apprenticeship information, support and guidance should be focused on the smaller businesses, with a particular focus on ‘who should they approach’, ‘what funding is available’, ‘what are the apprenticeship requirements and benefits from employing an apprentice’, and lastly clearer indication of ‘where to seek personal advice and support’;
- Those who already have apprentices on intermediate and advanced apprenticeship programmes, with high levels of satisfaction, that standards will be maintained on higher/degree apprenticeship programmes;
- That the new employer-led apprenticeship standards will meet both their higher-skills requirements, but simpler to access and be government supported;
- That they play their role in promoting apprenticeships by joining networks like the Hertfordshire & South Cambridgeshire Ambassadors Network, and also where they already employ apprentices to use “we employ apprentices” logos on their websites and letterheads;

7 Appendices

7.1 Hertfordshire Businesses Comments on the General Attractiveness/Unattractiveness of HDA's

These are the additional comments from respondents regarding their perceptions of the attractiveness or unattractiveness of higher/degree apprenticeships:

- **Business and Financial Services -**
“Feel apprenticeships can be draining, would like an understanding of what funding is available to help with apprenticeships in general please.”
“Want to find out more info about funding to make it worth their while for the company, want more info for the higher level apprentices. Also know University of Hertfordshire (UH) used to have support with a science degree, would like to know please if there is more investment and support to help them please.”
“Would be interested to receive information on higher level apprentices as they may look into this in the future”
- **Digital Media -**
“Feel there is an opportunity to get higher grade apprentices to make things happen, interested in finding out more especially for their sector, would like us to contact them with more information please, very interested.”
“Find learning about higher level apprenticeships to be very useful”
“Should they ever look into further apprentices, they will certainly be happy to look at higher level apprentices depending on the sectors!”
- **Engineering and Manufacturing , ICT -**
“Would like to know more about Higher Level Apprenticeships please, very interested!”
“Feels they should promote and look at higher apprentices on a much wider scale, feel they could use them much more in industry”
“Find it hard to find colleges supporting higher level apprentices, government needs to find more”
- **Health & Social Care -**
“Very niche company, may be worth sending more info should they ever consider this, currently only have 1 apprentice here at school leaver”
“Only feel NVQ level apprentices are for them, no point in others being taken on when they can just apply for a job for more money rather than at apprenticeship level!”
“They find this is a useful service, they have a good link to University of Hertfordshire, find the UH contribute well when helping them with apprentices”
- **Law –**
“Would like further contact and info re Higher Level Apprentices please”
“Would like more information about higher level apprentices please, are considering looking into this already but need more info. Want to know”
“Have not taken on apprentices before, may be keen to find out more information in the future re higher level”.

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