

Speech: Amanda Spielman speech to Annual Apprenticeships Conference

Thank you for inviting me to speak to you today.

Introduction

This is a very important conference, at a critical time for the development of apprenticeship provision. It is gratifying to see apprenticeships on the news agenda regularly: whether as mentions in Prime Minister's speeches or the subject of thoughtful newspaper columns from journalists you wouldn't normally expect to care. Apprenticeships are, quite rightly, recognised as a vital component of our education and skills sector. Less gratifying, perhaps, is that too much of this recognition is about the system, not yet, working as it should.

That's why I am so pleased to be here today. I see it as essential that providers, policy makers and employers can have open and frank discussions about what works and what needs to be improved.

It is almost a year now since the introduction of the apprenticeship levy—one of the most significant changes to apprenticeship funding that we have ever seen. Alongside the slow but inexorable move from apprenticeship frameworks to apprenticeship standards, providers and employers are working to secure the training and support that businesses need to develop a well-trained and productive workforce.

And at Ofsted, we carry on supporting the reform programme. Indeed we're putting our money where our mouth is, with our own award-winning band of 29 business administration apprentices.

Challenges

We know that it has been a challenging year for providers. The levy has required a different relationship with employers. There have been challenges in applying for, and receiving, non-levy allocations. There have also been problems getting on the Register of apprenticeship training providers. And, in too many instances, in finding a replacement standard for a framework—particularly at levels two and three.

I suspect that the fall in apprenticeship starts is due to a combination of these factors. Nevertheless, any barriers that prevent employers taking on an apprentice, or standing in the way of good providers delivering high quality training, must concern us all.

The first quarter of 2017 to 2018 saw almost 50,000 fewer starts than the same quarter in 2016 to 2017. There is no denying, that the low number of starts continues to be a concern, which is why I was heartened to see Anne

Milton's recent confidence that numbers will pick up in the new academic year. We all have to hope that this is true.

It is not just about overall volumes though. We are also experiencing some unintended consequences from the emerging trend towards higher-level apprenticeships. Of course, I understand, indeed applaud, more apprenticeships at higher levels, especially when there is clear progression in an occupation, from level 2 through to degree level. However, around 40% of the standards approved or in-development are at higher and degree levels, while only 7% of apprentices work at these levels.

This shift may be good for the economy in the long run, but the reduced number of apprenticeships at levels two and three is another destabilising factor in the system. To put it more brutally, there is a risk that young people, fresh from school, get squeezed out of apprenticeship routes because employers prioritise higher level programmes. This makes it more difficult for young people looking for entry-level employment straight from GCSEs.

In this context, I am pleased to see that the Institute for Apprenticeships is upping the rate at which it develops and approves apprenticeship standards. Up till now, this process really has been too slow. I am also pleased that there is now more flexibility to include qualifications within apprenticeship standards. I see these positive developments as a sign that the institute is listening to the concerns expressed by employers and training providers. However, I would still like to see a greater focus on achieving a set of standards that really reflect the balance of training and development needs of the economy.

Ofsted's role

With all the change, and uncertainty in the system, I am sure you want reassurance about Ofsted's agility and ability to adapt inspection to fit the new reality.

We know the challenges you face. We are working hard with you to make sure that inspection takes account of the changing landscape. But, let me be absolutely clear, we will not be excusing poor performance. Regardless of the changes that we are all dealing with: apprentices deserve high quality training at, and away from, work.

Pilot inspection findings

We have already carried out a number of pilot inspections to make sure that we are looking at the right things in this new environment. And we found a need for inspectors to focus on the bottom line, not the money, but what knowledge, skills and behaviours apprentices actually develop and acquire.

Now I hope many of you will know that one of my big interests as Chief Inspector is looking at the substance of education. By this, I mean the entirety of what is actually learnt, whether at school, college or on an apprenticeship.

As I said at the launch of my first [Annual Report](#), our early research has shown that, all too often, the knowledge that we want young people to acquire is lost in the dash for grades and stickers.

These pilot inspections of apprenticeship providers have revealed that many of the concerns we have uncovered at a school level are also evident in apprenticeships.

We are seeing an over-emphasis on simply ticking the box to show that the next part of the qualification has been achieved. There is not enough focus on the actual skills, knowledge and behaviours learned.

Indeed, most providers in our pilots found it difficult to demonstrate what actual progress their apprentices were really making. As providers, you need to consider how you make sure that apprentices are making progress. This isn't for inspectors, not for Ofsted, but for apprentices' and employers' benefit. It is also to inform the training and development programme that apprentices need to be following to pass end-point assessments.

The findings from our pilot inspections are informing changes to the inspection handbook. We will carry on iterating and adapting these as the systems develop.

Inspections of apprenticeships

More broadly, we are now developing our new education inspection framework for September 2019. How we inspect and report on apprenticeships are important considerations in our thinking and planning for this new framework. What we learn on inspections now, and what we learn from our work with organisations like AELP, the British Chambers of Commerce and the CBI, will inform our development. And of course, we will consult on our proposals.

But the changes in the system aren't just about new frameworks and new ways of inspecting. I know that many of you have concerns about the number of untested providers entering the market and the effect this could have on quality. Well, rest assured, we are not standing idly by and waiting for new providers to fail. We are doing all that we can to make sure that no apprentice's future opportunity is ruined by poor provision. It is essential that poor quality provision is spotted and tackled quickly, so that it doesn't damage an individual's prospects or the overall apprenticeship brand.

We have already begun a series of early monitoring visits to assess the quality of these new providers. Some of you will have heard about our first monitoring visits, which hit the headlines, at least in the trade press, last week. There is no hiding the fact that what we found at Key6 Group was worrying. And I'm very pleased that there has been a prompt reaction by ESFA [Education and Skills Funding Agency].

But, it is important that we don't over-interpret this one result as a judgement on all new providers coming on stream with the levy. We are doing more monitoring visits of this type. And I very much hope that positive results will significantly outnumber the disappointments.

Besides these monitoring visits to new providers, we have increased our inspection focus on subcontractors, many of whom are providing apprenticeship training. We are doing this in two ways. Firstly, as part of our standard inspections, where providers have a significant proportion of subcontracted provision, we are increasing our focus on this part. This will mean that teams can evaluate and report, in more detail, on the quality of education and training in individual subcontractors.

In addition, we are making monitoring visits to a number of directly-funded providers to look specifically at subcontracted provision. This way, we can make sure that apprentices are getting the best possible training. We expect the first of these to be published in the next couple of weeks.

Our message here is simple. As the direct contract holder, you are responsible for your learners. If you subcontract, for whatever reason, you are still responsible for making sure your apprentice gets high quality training. If you are sitting back and collecting the money, without taking proper responsibility for quality, you are failing your apprentices. We are determined to expose this in the system.

And, just in case, any of you were being kind enough to worry about us, and whether Ofsted has the resources to deliver this increased volume of inspection, please don't worry: we are being equally robust in our approach to government for funding. Indeed the DfE has already acknowledged that it needs to fund us properly for this work.

Standards

With the experience of Learndirect still prominent in all of our minds, I have no doubt that you are all acutely aware of the risks when large sums of money flow into a system.

It is sobering, in that respect, to look at recent inspection outcomes. Between September 2017 and February 2018, we made a judgement on the apprenticeship provision at 55 providers. We found three-fifths of them to be good or outstanding, with 16 requiring improvement. Six were inadequate. This means that 4 in 10 providers did not offer high quality training for apprentices. There is no way of dressing this up – it is not good enough.

But looking at it another way, the good and outstanding providers were generally the larger ones, so 33,000 apprentices were in good or outstanding provision – almost 80% of the overall places. And this is a lot higher than the provision looked at in the previous year. Then, only 60% of apprentices were being trained in providers of the same quality, we have excluded Learndirect from those figures. To be clear, it is not a perfect year-on-year comparison because inspection priorities and scheduling decisions affect which providers are selected for inspection. However, I do believe the figures are cause for optimism about quality in the sector.

So, while we rightly shine a light on concerns in the system, and I do have to talk about where things are going wrong. I also believe it is important to celebrate where things are going well. We see outstanding apprenticeship

providers like National Grid and Craven College and Fareham College. There we see leaders and managers who work very closely with local employers to make sure that apprenticeships meet the needs of the local economy. They expect the best of their apprentices who show exemplary skills, getting the qualifications and competencies they need.

And whether it's TTE Training with 160 engineering apprentices on various pathways, Busy Bees Nurseries and its range of early years apprenticeships or CITB supporting 10,000 apprentices in the construction industry—these very different types of outstanding provider are similar in one thing: the determination to give their apprentices top-notch training and to set them on a path to a successful and fulfilling career.

Conclusion

So, to conclude, we cannot escape the fact that this is a testing time for apprenticeships, a period of significant change that has inevitably brought a level of uncertainty alongside great opportunity.

There is still a way to go before we can confidently declare the new approach a success, but it is possible to see it beginning to take shape.

My inspectors are seeing some excellent provision around the country, but not enough of it and we need to see more. The sector is adapting confidently to change, but we need to make sure that the pace doesn't slacken.

Ofsted's overarching goal, as set out in our corporate strategy, is to be a force for improvement in all the sectors we inspect and regulate. This is as relevant for apprenticeship provision as it is for schools or child protection. Through our work, we will provide the evidence of what is working and the early warning of where things are going wrong. For a system in the midst of change, this could not be more vital.

After all, success of this ambitious apprenticeship programme is essential, not only to the needs of our wider economy, but for the young people and adult learners so desperate for the right opportunity to prosper.

I know all of you in this room are working hard to ensure this success. I am delighted to be joining all the winners of the inaugural AAC apprenticeship awards at tonight's ceremony in recognition of that commitment.

Thank you.