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Mr Chris Shaw
Sub-Committee on Education, Skills and the Economy
House of Commons
London
SW1A 0AA

Dear Mr Shaw,

Call for evidence – inquiry into Apprenticeships

Please find attached the Barclays response to the Committee on Education, Skills and the Economy's inquiry into Apprenticeships

We welcome the opportunity to respond to this Call for Evidence and are pleased to see members of the BIS and Education and Skills committees coming together to examine this crucial issue.

We trust that you find Barclays contribution of assistance. We would be happy to discuss and provide any further information about the Barclays Apprenticeship programmes or answer any questions from the committee. Please contact shaun.meekins1@barclays.com

Yours faithfully

Mike Thompson

Director, Barclays Early Careers

Committee on Education, Skills and the Economy

Inquiry into Apprenticeships – response from Barclays PLC

The target of three million apprentices by 2020, how the Government proposes to achieve this and how this may affect the 'skills gap'

Barclays support the drive to grow the apprenticeship brand and encourage more high quality vocational pathways for young people and adults alike. The growth in volumes will carry with it risks that will need to be carefully managed. The first of these is supply side delivery capacity. The current delivery system in the UK is fragmented and inefficient and heavily reliant on traditional Further Education (FE) institutions and a large volume of small and medium sized private providers. The ability of providers to grow their capability to support higher volumes of apprenticeships is questionable without a dilution in quality.

Equally, it can be anticipated that the Levy will drive growth in demand for Higher apprenticeships and degree apprenticeships with limited supply currently available through Higher Education (HE) and unproven or limited workplace provision from this part of the skills system. It should also be pointed out that there are also very limited numbers of new Standards agreed at a Higher Apprenticeship level. **Only two degree apprenticeships have been approved to date**.

In summary, at present there is a fundamental imbalance in the mix of standards (too many low level standards versus Higher level standards). Training supply is also skewed towards lower level skills with HE institutions unprepared to meet the demand for higher skills.

There is also a risk that if the high volume low quality old style "frameworks" (Business Admin/Customer Service) are retained beyond 2017 and not removed or trailblazed to include professional qualifications we will see the levy being utilised to sheep dip large volumes of employees through these in order to spend the Levy and limited or no skills or productivity lift will be seen.

The proposal for an apprenticeships levy and how this may be implemented

Barclays supports the levy and feels it will give a boost to vocational skills and place greater control into the hands of business for their workforce development. However the fundamental imbalances in the demand and supply of skills in the system needs to be addressed

The institutional architecture of current provision and how this may be affected by the proposed Institute for Apprenticeships

Barclays welcomes the creation of an institute to address the quality issues referenced previously and provide employers with a voice in the key decisions around Apprenticeship policy. We encourage the Government to put in place this institution at the earliest possible opportunity and to ensure that there is broad cross sectoral representation on the Insitute.

Take-up of apprenticeships amongst 16–19 year olds and steps that can be taken to make more young people aware of available opportunities

Barclays has created more than 2,500 Apprenticeships since the programme launched in April 2012. The primary route through which we create Apprenticeships is through a Traineeship model which

offers up to 5 weeks pre-employability training, up to 2 weeks work experience and then an interview for the opportunity. To date, we have seen a stronger up-lift in 16-19 year old registrations than we have Aged 19+.

We operate a very eclectic attraction strategy which enables local and national charities and communities partners to refer candidates for our programmes. These include the Young Women's Trust, Princes Trust, Street League and Tomorrow's People. Those gaining a successful Apprenticeship who were directly referred from charities is currently 67%, versus a 42% conversation from those applying directly through Job Centre Plus (JCP). Equally, we attract young people who are already engaged on a work programme, from which we have seen a 71% success rate. This evidence leads us to make a number of recommendations:

- 1: Employers should build relationships with local community partners as a core attraction channel, through which young people are already engaged in the 'nurturing and development' journey leading to successful employment outcomes
- 2: Whilst JCP is a strong a viable route, employers should think more broadly about the plethora of channels through which to identify young talent and potential, including candidates who have or are already engaged in some form of work-programme
- 3: Employers should maximise on existing 'local' and 'national' community and charity relationships in order to maximise on the messaging and promotion of Apprentices, taking every possible opportunity to utilise Apprentices to attend insight-sessions with young communities. The greatest impact comes from those who are 'living the experience'

The process of applying for apprenticeships

At Barclays, we offer 2 core programmes, Foundation & Higher Apprenticeships. The difference in the community 'type' we are attracting is that Foundation looks to source hard-to-reach NEET (not in education, employment or training) candidates with limited, if any qualification or work experience (primarily 16-24 year olds). Higher Apprenticeships (which offer a fully funded degree or degree-equivalent qualification) aim to attract candidates who are currently in their last year of A-Level (or equivalent) study or those who have already achieved a minimum of 200 UCAS Points (any subject).

Foundation Apprentices

- Candidate can apply directly on-line via our Barclays Early Careers website www.barclays.co.uk/apprenticeships
- Our Training Provider, Capita, also host local 'open days' where candidates who have registered via a local partner of charity can attend a physical 'recruitment' day and sign up to Traineeship classroom opportunities in the presence of both the provider and, on many occasions, Barclays colleagues
- The Traineeship is delivered outside of Barclays for up to 5 weeks covering all core and centric elements of employability and functional skills (Maths/English etc)
- Barclays extend the opportunity for up to 2 weeks work experience in-business prior to having a final round 'motivational' assessment (light-touch)

Higher Apprenticeships

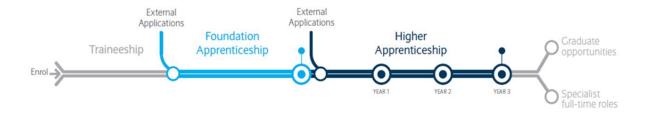
- Candidates can apply directly on-line via our Barclays Early Careers website <u>www.barclays.co.uk/apprenticeships</u>
- Barclays also proactively canvass opportunities nationally through in-school presentations, local insight days and national community events
- Candidates will need to complete a situational judgement test on-line, followed by verbal & numerical aptitude tests, telephone interview and, if benchmark, a face to face assessment comprising of an interview, role play and group exercise.

At the first stage and throughout, we give candidates the opportunity to declare if they wish
to take any tests off-line and if there are required reasonable adjustments, so as not to
compromise the ability for any candidate to successfully complete the application process

Routes for progression to higher qualifications for current apprentices

The Barclays Apprenticeship programmes act as an 'enabler' for development and career progression. When our programme was born, we committed to promoting our programmes through the concept and belief in 'Grow with Barclays', which recognises high-performing Apprentice Graduates and their ability to apply for the next 'level' of qualification.

In essence, if an Apprentice Graduates from a Level 2 or Level 3 qualification, and is performing 'Very Strong' or higher, they are automatically eligible for apply for the Higher Apprenticeship Programme. The internal process is fast-tracked, removing some of the on-line assessment elements, demonstrating Barclays' commitment to prioritising internal talent mobility. Equally, the same metric applies to Higher Apprentices who are wishing to apply for the Barclays Graduate Programmes. The diagram below reflects a potential journey



In 2016, Barclays will be leveraging the prospects of the Government Levy by creating 'progression' Apprenticeships (Level 3), from which existing internal colleagues will benefit from up-skilling in new specialist areas and obtaining a qualification. Furthermore, we are currently developing a fast-track Leadership Higher Apprenticeship for higher-level, higher-skilled colleagues looking for their next step into Leadership.

Ultimately, Barclays is building the blocks to ensure that progression, from a Foundation Apprenticeship through to a post-Graduate, is seamless but equally is achieved through high performance and achievement throughout the 'Grow with Barclays' journey. It is key that more higher level standards are put in place quickly to allow Apprenticeships to be an equivalent pathway to University for all major skills areas.

The quality of, and minimum standards for, apprenticeships, and how standards can be enforced

The key to quality lies in three things

- 1. All standards having high quality recognised industry qualifications at their heart recognised by sector professional bodies
- 2. Rigorous independent end assessment by recognised bodies i.e. sector professional bodies
- 3. Higher quality provision and greater deliver via top HE institutions

To genuinely be an alternative to University then the very best HE institutions in England need to be part of the delivery. There is scope for significant improvement in this respect.