



Modern Apprenticeships within the NHS in Scotland

A report to:

**Skills Development Scotland and
NHS Education for Scotland**

Final Report

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SUMMARY

BACKGROUND

This report sets out the findings of a short piece of work conducted by IBP Strategy and Research on behalf of Skills Development Scotland (SDS) and NHS Education for Scotland (NES) that aims to illustrate costed models for approaches to Modern Apprenticeships and in so doing provide support for NHS Boards across NHS Scotland seeking to consider the inclusion of Modern Apprenticeships in their provision for workforce development. The findings are based on a mix of data gathering methods including a review of relevant literature, interviews with practitioners and stakeholder workshops.

ORGANISATIONAL AND STRATEGIC CONTEXT

The NHS is Scotland's largest employer with a diverse and geographically spread workforce. Workforce development for most roles is informed by the NHS Knowledge and Skills Framework (KSF) and the Career Framework for Health.

Modern Apprenticeships are seen as an important element of the Scottish Government's economic and skills strategies and are one of the tools that can potentially be deployed within the NHS to meet its workforce development challenges.

Modern Apprenticeships are most likely to be relevant at Levels 2 to 4 of the Career Framework. SVQs are already delivered in various parts of NHS Scotland, often through approved SVQ centres within NHS Boards (although these are facing funding pressures). A particular concern that has been highlighted previously is the lack of formalised learning structures and programmes for administrative and support services staff and a lack of acknowledgement of the contribution of these roles to the service as a whole.

MODERN APPRENTICESHIPS AND THEIR BENEFITS

Modern Apprenticeship Frameworks are developed by the relevant Sector Skills Council and are therefore specific to each industry or sector; all Frameworks contain the three elements of occupational S / NVQs, core skills (communication, information technology, numeracy, problem solving, working with others) and can also contain additional components. The Modern Apprenticeship Frameworks cover a wide range of sectors and many are of potential relevance to NHS employers. Modern Apprenticeships must be registered through Modern Apprenticeship Centres, approved by the relevant Sector Skills Council, who are normally approved centres of the Awarding Body for the S/NVQ part of the Framework. This can either be the employer or an external training provider.

Effective assessment of return on investment on Modern Apprenticeships requires both an understanding of the input costs (training fees, time etc) and the outcomes (which can be assessed at various levels). Substantive research now exists within a number of occupational sectors that shows enhanced productivity amongst fully experienced workers trained by the Apprenticeship route as compared to external recruitment of fully experienced workers. However, there is not a substantial body of such research within the health sector at present. Benefits of the Modern Apprenticeship route highlighted in the external research include: access to skills not necessarily available on the open market; ability to replace an ageing workforce; reduced recruitment and induction costs; lower labour turnover; a stronger job-related focus to training and reputational benefits in the wider community.

THE POTENTIAL FOR MODERN APPRENTICESHIPS IN NHS SCOTLAND

Interviews with workforce development staff in NHS Boards highlight a range of workforce development issues including: replacing an ageing workforce; operational improvements in areas that have historically been under-invested in; addressing the need for multi-skilled staff and demonstrating a clear link to the Knowledge and Skills Framework. The interviews highlighted a range of clinical and non-clinical areas where Modern Apprenticeships were thought to have a potential role to play.

There have been some examples of Modern Apprenticeships delivered within the NHS in Scotland, both through internal SVQ centres and external centres. These instances are relatively isolated, however, and have usually been driven by a specific need identified at a local level within individual NHS Boards. As Modern Apprenticeships can be delivered through external providers and as the budgets for such activity are not centrally held, it is difficult to be precise about uptake of Modern Apprenticeships. Although those who have experience of them express positive views, it is clear that only a small minority of NHS managers have used them with their staff.

There are a number of apparent barriers to take-up, which can mean that Modern Apprenticeships are not being used to their greatest potential in NHS Scotland. Most importantly, there is significant pressure on funding at a local level and a lack of information about the quantified returns that can be associated with Modern Apprenticeships (in comparison to other workforce development tools). Other barriers include: a lack of priority placed on learning for administrative and support services staff; lack of awareness of Modern Apprenticeships and what they are; scepticism as to the benefits of Modern Apprenticeships over and above SVQs; a range of practical barriers to delivery and perceived bureaucracy.

THE COSTS OF MODERN APPRENTICESHIPS AND POTENTIAL FUNDING SOURCES

A range of functions are required for the delivery of Modern Apprenticeships and these give rise to a number of delivery models. These range from an entirely internal to an entirely external model, but more commonly, a hybrid approach is taken where some elements of the overall process are retained in house and some subcontracted externally. It is important for the full range of costs and benefits to be taken into account in choosing which approach to take.

NHS Boards need to consider in the first instance whether funding can be made available internally for the delivery of appropriate Modern Apprenticeships based on an appreciation of the return on investment that can be secured. NHS employers can also seek to contract with Skills Development Scotland for the provision of Modern Apprenticeships but this is a competitive process and it is SDS policy not to fund Modern Apprenticeships for people aged 20+ in the public sector. When subcontracting delivery to Colleges the cost of the Modern Apprenticeship is a matter for negotiation between the employer and the college and can be affected by the background funding arrangements that the particular college has in place. Other sources of funding (including Individual Learning Accounts and funding sources available only in some areas) may be applicable in some instances.

OPPORTUNITIES FOR FURTHER DEVELOPMENT

In the light of the above, a number of areas for development have been identified for further consideration, with the overall aim of ensuring that NHS employers can take appropriate and informed decisions about the application of Modern Apprenticeships. These areas are:

- Publication of a short “Guide to Modern Apprenticeships”, specifically for NHS Scotland.
- Identification of support to help NHS Boards in taking a more strategic and informed approach to Modern Apprenticeships.
- Exploration of opportunities to augment the evidence base on return on investment of Modern Apprenticeships within NHS Scotland (for example, through demonstration projects).
- Support for local learning and development staff to assess, quantify and articulate the benefits of Modern Apprenticeships and other training interventions.
- Consideration of the development of new Modern Apprenticeship Frameworks with clear and direct links to health service delivery (potentially using the new SVQs in Healthcare).

- Ongoing dialogue between NHS employers as to how they can most effectively work together to deliver Modern Apprenticeships and also how good practice can best be migrated across the organisations.

It is suggested that these areas form an agenda for ongoing work in this area both in the immediate short term and thereafter.

1.0 BACKGROUND, OBJECTIVES AND METHODOLOGY

BACKGROUND

- 1.1 Skills Development Scotland (SDS) was established on 1st April 2008 to promote a single skills development body for Scotland, bringing together Careers Scotland, Scottish University for Industry (SUfi) and the key skills elements of Scottish Enterprise and Highlands and Islands Enterprise. SDS is fundamentally about enhancing Scotland's skills performance, helping individuals to realise their full potential and enhancing the success of businesses and other employers through effective skills development

- 1.2 Responsibility for the four national training programmes (Get Ready for Work, Training for Work, Skillseekers and Modern Apprenticeships) now resides with SDS. This assignment has been focused on the development of approaches to Modern Apprenticeships within the NHS in Scotland. Modern Apprenticeships offer those aged over sixteen paid employment with the opportunity to train for jobs at craft, technician and management level. Modern Apprenticeship frameworks are developed by the industry or sector in which they will be implemented. Typically, the occupational Scottish Vocational Qualifications (SVQs) for the sector at Level 3 are the core of any framework although some frameworks may specify progression routes from Level 2 upwards.

- 1.3 Modern Apprenticeships also contain a number of core skills:
 - Communication
 - Information Technology
 - Numeracy
 - Problem Solving
 - Working with others

Additional components vary and can include units from other SVQs, industry-specific qualifications or academic qualifications.

- 1.4 This assignment was commissioned by SDS in partnership with NHS Education for Scotland (NES). NES is a Special Health Board that aims to provide better patient care by providing educational solutions for workforce development. It does so by designing, commissioning, quality assuring and providing education for NHS Scotland staff.
- 1.5 The NHS in Scotland is the country's largest employer and includes the fourteen geographical Health Boards as well as a number of Special Health Boards and related organisations.¹
- 1.6 A wide variety of disciplines and job types are required for the effective operation of the NHS in Scotland. These contain a range of specialist health disciplines but also a wide range of other staff groups, including finance staff, administrative and clerical staff, healthcare support workers and estates and environment staff. We comment further on the structure of the NHS in Scotland and its workforce within the relevant section of this report.

OBJECTIVES

- 1.7 The original brief for the assignment described the overall purpose of the work thus:

“To develop costed models for approaches to the delivery of Modern Apprenticeships”.

“To provide support for NHS Boards across NHS Scotland seeking to include Modern Apprenticeships in their provision for workforce development”.

The work has been seen as part of the developing partnership between Skills Development Scotland and NHS Education for Scotland.

¹ The NHS in Scotland is divided into fourteen geographical (or “territorial”) Health Boards (Ayrshire and Arran, Borders, Dumfries and Galloway, Fife, Forth Valley, Grampian, Greater Glasgow and Clyde, Highland, Lanarkshire, Lothian, Orkney, Shetland, Tayside, Western Isles). In addition, there are a number of Special Health Boards, including NES, NHS 24, NHS Health Scotland, NHS Quality Improvement Scotland, the Scottish Ambulance Service, the State Hospitals Board for Scotland and the National Waiting Times Centre Board. There are also other related national and support organisations include the Chief Scientist Office, Health Facilities Scotland, Health Protection Scotland and the Scottish National Blood Transfusion Service.

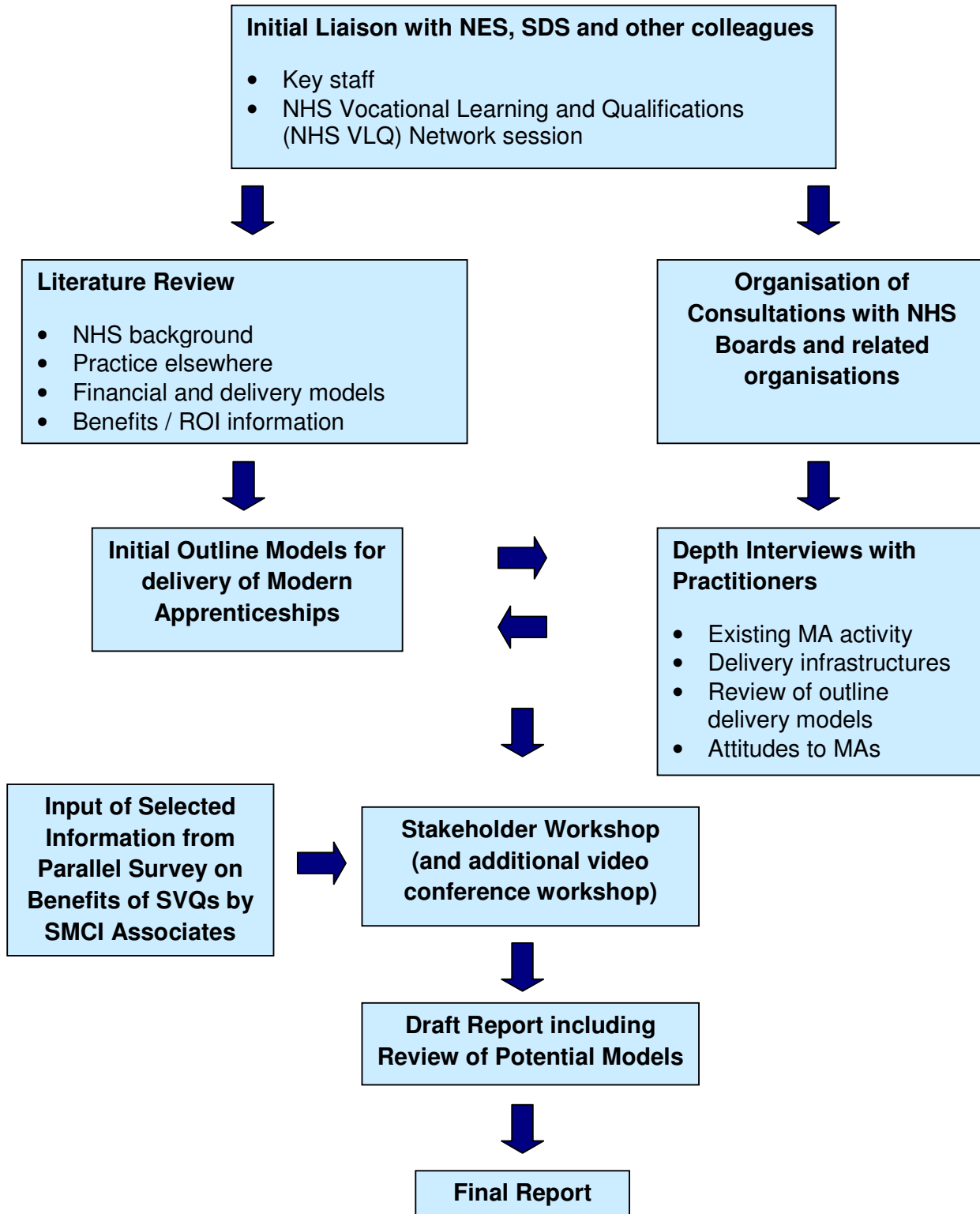
1.8 More generally, it was anticipated that the study would provide the following inter-related outputs:

- A detailed breakdown and costing of potential delivery models.
- Information to help inform the decision-making process within NHS Boards.

At the outset, it was recognised that the likelihood was that that there would be no single model for the delivery of Modern Apprenticeships across the NHS Boards in Scotland; rather, a range of potential models would need to be developed, which would be sensitive to the needs of the NHS Boards and to their existing educational training infrastructures.

METHODOLOGY

1.9 The overall methodology for the assignment is illustrated below:



1.10 In summary, the key inputs from each stage of the work were as follows:

| Element of Work | Outputs |
|--|---|
| Literature Review | The literature review provided background on the strategic and organisational context, particularly within the NHS in Scotland. It also provided detailed information on the operation of Modern Apprenticeships as well as the available information on their organisational benefits and potential funding sources. |
| Depth interviews with stakeholders with an interest in the delivery of Modern Apprenticeships | The practitioner interviews were primarily with representatives of NHS Boards but also included interviews with a number of learning providers. These interviews contributed to a picture of the extent and nature of current usage of Modern Apprenticeships within the NHS in Scotland as well as an understanding of awareness and attitudes towards Modern Apprenticeships, how they were funded currently and barriers to take up. |
| Information from Survey of Benefits of SVQs (SCMI Associates) | Selected information from this broader survey was used relating to awareness, understanding and usage of Modern Apprenticeships. |
| Stakeholder Workshop and additional video conference workshop with various stakeholders with an interest in the delivery of Modern Apprenticeships | These workshops involved a wide range of learning practitioners and managers within NHS Boards as well as staff from SDS and NES specifically. They allowed for further in-depth discussion of the potential of Modern Apprenticeships and how the role they could play in meeting the workforce development needs of NHS Boards. |

A full Bibliography is set out in Appendix A.

Details of those involved in the primary research (in-depth interviews and workshops) are set out in Appendix B.

- 1.11 At an early stage of the project NES intimated that a simple “Guide to Modern Apprenticeships” would be a valuable output of the project for colleagues within NHS Scotland with the content of this being derived from the main body of the research conducted for the assignment. We have set out a possible outline for such a Guide in Appendix C.

2.0 ORGANISATIONAL AND STRATEGIC CONTEXT

INTRODUCTION

- 2.1 This summary of the strategic and organisational background to the assignment is drawn from the literature review.

THE NHS WORKFORCE

- 2.2 Including general practitioners and dentists, NHS Scotland employed almost 170,000 people as at September 2009, making it Scotland's largest single employer by some way. The breakdown is as follows:²

² NHS Scotland Workforce Statistics; ISD Scotland National Statistics, 2010.

| Category | Number of Employees |
|--|---------------------|
| Nursing and midwifery | 68,681 |
| Administrative services | 31,012 |
| Support services | 20,634 |
| Medical (hospital, community and public health services) | 11,797 |
| Allied health professions | 11,777 |
| Healthcare science | 6,290 |
| General Medical Practitioners | 4,942 |
| Other therapeutic services | 3,947 |
| Emergency services | 3,836 |
| General dental services | 2,761 |
| Medical and dental support | 1,928 |
| Personal and social care | 901 |
| Dental (hospital, community and public health services) | 812 |
| Other / not known | 652 |

Whilst nursing and midwifery is the single biggest category, it is notable that administrative and support services together account for well over 50,000 employees. There are very many roles within the NHS that require learning at below degree level and which would be appropriate for Modern Apprenticeships and we return to this discussion in Section 5 of this report.

- 2.3 The age profile of some of these categories should be noted. In Support Services, for example, 43.3% of the current workforce is aged 50+ whilst for Administrative Services the figure is 34.3%. This suggests that over the medium term a significant proportion of the workforce in these areas will retire and that new staff will have to be found for many of these posts.

WORKFORCE DEVELOPMENT IN THE NHS

2.4 The Career Framework for Health is a UK-wide development that aims to support career planning. It maps the NHS Scotland workforce into nine clusters of roles, which are³:

| Career Framework Level | Description |
|------------------------|--|
| Level 9 | Senior staff with ultimate responsibility for decision-making and full on-call accountability. |
| Level 8 | Consultant Practitioners who are staff with a very high level of clinical expertise or with a high level of responsibility for planning services. |
| Level 7 | Advanced Practitioners who would include clinical practitioners making high level clinical decisions and non-clinical staff managing a number of service areas. |
| Level 6 | Senior Practitioners with a higher degree of autonomy than those in level 5 and non-clinical staff managing one or more service areas. |
| Level 5 | Practitioners consolidating pre-registration experience and some non-clinical staff (e.g. Management Accountants). |
| Level 4 | Assistant Practitioners whose work involves protocol-based care under the supervision of registered practitioners; this level would include non-clinical roles such as IT support workers or other technicians. |
| Level 3 | Senior Healthcare Support Workers who have a higher level of responsibility than Healthcare Support Workers and non-clinical roles such as ward clerks. |
| Level 2 | Healthcare Support Workers who work under the direction of healthcare professionals in the delivery of care; non-clinical examples include roles such as housekeeper and receptionist. |
| Level 1 | Support Workers who are non-clinical staff in roles that require only a limited amount of formal education, such as catering or domestic assistants. |

³ These details are summarised from the circular letter from the Scottish Government Health Workforce Directorate on Guidance on the Career Framework for Health, dated March 2009.

The Framework is not directly related to pay but is concerned with defining the knowledge, competence, responsibility and associated experience necessary for the different levels of roles within the NHS.

- 2.5 The Knowledge and Skills Framework (KSF) is the overarching competency framework for NHS staff. All NHS posts covered by Agenda for Change⁴ have an associated KSF outline which details the knowledge and skills required for the post. Individuals are required to provide evidence of their application of knowledge and skills in the workplace, and to identify their development needs, as part of an ongoing KSF Personal Development Planning and Review (KSF PDP/PDR) process.
- 2.6 There is indicative linking between Career Framework for Health and the Scottish Credit and Qualifications Framework (SCQF).⁵

| Career Framework | Indicative SCQF Levels | SVQ Levels | Other Qualifications |
|-------------------------|-------------------------------|-------------------|--|
| 9 | 11 / 12 | SVQ 5 | Masters Degree; Doctorate |
| 8 | 11 / 12 | SVQ 5 | Masters Degree; Doctorate |
| 7 | 11 | SVQ 5 | Postgraduate Certificate; Diploma; Masters Degree |
| 6 | 9 / 10 | SVQ 4 | Ordinary or Honours Degree; Graduate Diploma |
| 5 | 8-10 | SVQ 4 | Higher Education Diploma; Ordinary or Honours Degree |
| 4 | 7 / 8 | SVQ 3 | HNC; HND |
| 3 | 6 / 7 | SVQ 3 | HNC |
| 2 | 5 / 6 | SVQ 2 | - |
| 1 | - | - | Induction Standards for Healthcare Support Workers |

⁴ Agenda for Change is the system of pay and conditions for many staff in the NHS; it does not include doctors, dentists and the most senior management grades.

⁵ Guidance on the Career Framework for Health, Scottish Government Health Workforce Directorate, circular letter of March 2009.

Typically (but not exclusively), Modern Apprenticeships will be appropriate for roles at Levels 2 to 4 of the Career Framework, given that the majority of Frameworks are at SVQ Level 2 or 3..

SCOTTISH GOVERNMENT SKILLS STRATEGY

2.7 Modern Apprenticeships need to be seen in the overall context of the Scottish Government's Skills Strategy: "Skills for Scotland: A Lifelong Skills Strategy" of 2007 and the refreshed strategy issued by the Scottish Government in October 2010: "Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth". The overall premise of the strategy is essentially that:

"The years we spend in education generate a form of capital that has the potential to produce a long term return. Skills development contributes to other benefits from which we believe other benefits flow".

The introduction to the strategy notes that:

"Scotland has not, however, matched the UK economic growth rate despite its positive skills profile".

The key issue of *utilisation* of these skills becomes apparent, therefore, seeking to drive productivity growth in the Scottish economy.

2.8 The strategy identifies six overlapping clusters of skills, which were re-stated in the refreshed strategy:

- Personal and learning skills
- Literacy and numeracy
- Core skills (communication, numeracy, problem solving, information technology and working with others) reflecting those set out in Modern Apprenticeship Frameworks.
- Employability skills
- Essential skills
- Vocational skills.

The detailed vision in the original skills strategy includes a desire for:

“A smarter Scotland with a globally competitive economy based on high value jobs”.

The refreshed strategy sets out a vision for:

“A successful, globally competitive economy based on high skilled and better paid jobs”.

This, in turn, requires employers to:

“Improve productivity by investing in their own staff”.

The encouragement of employer demand for skills is therefore a key element of the strategy.

- 2.9 Whilst the focus of the strategy is on private sector employers the strategy does recognise that the public sector in Scotland employs approximately one quarter of the workforce (and as illustrated earlier in this section the NHS comprises a large part of this). The original strategy suggests that:

“The public sector in Scotland should continue to act as an example of good practice to other employers by employing trainees and investing in its people to create a flexible and responsive workforce”.

This statement understates the importance of effective workforce development to the delivery of effective and efficient public services. Whilst “productivity” is a term most commonly applied to private sector employers it seems likely that it will be increasingly recognised that a central challenge for all public sector employers is to maintain or enhance outcomes for the same or lesser resource inputs (i.e. to increase productivity).

The refreshed strategy sets out an intention for the Scottish Government to:

“Work with local government and other public sector partners to ensure a flexible, responsive approach to skills development and use”.

It does, however, note that this dialogue will take place within the context of a still evolving picture on spending decisions.

2.10 Modern Apprenticeships are described in the original skills strategy as:

“An excellent example of employers and Government working together to ensure individual businesses gain skilled employees whilst providing Scotland with a deployable and flexible workforce”.

Modern Apprenticeships are recognised as having two broad, inter-related objectives:

- To build skills, thus growing the economy.
- Supporting a wider social inclusion agenda.

Economic development is, however, recognised as the primary purpose of Modern Apprenticeships; this is made clear in the refreshed strategy, which suggests that Modern Apprenticeships have been:

“Vital in allowing individuals to keep earning and learning and allowing Scotland to develop some of the skills necessary to take us through the recession and into economic growth”.

2.11 The refreshed strategy sets out an intention for the Scottish Government and SDS to continue to promote the accessibility of Modern Apprenticeship Frameworks.

The original strategy supports the all age nature of Modern Apprenticeships whilst noting the need to prioritise resources. This is reflected in the current situation whereby SDS will not fund Modern Apprenticeships for those outwith the 16-19 age group in the public sector.

SKILLS DEVELOPMENT SCOTLAND

2.12 Skills Development Scotland takes its lead both from the Scottish Government’s Economic Strategy and the aforementioned Skills Strategy. Its vision is:

“To be a catalyst for positive change in Scotland’s skills performance”.

SDS's Operating Plan sets out three strategic goals, each of which have a number of key strategies associated with them as illustrated below:

| Goals | Enable people to fulfil their potential | Make skills work for employers | Be a catalyst for positive change |
|-----------------------|--|---|--|
| Key Strategies | <p>Foster career agility and management skills.</p> <p>Create new levels of connectivity between learning and jobs.</p> <p>Equip individuals with the skills Scotland needs.</p> | <p>Create new frameworks to develop skills for the 21st century.</p> <p>Prioritise skills development in the Government Economic Strategy key sectors.</p> <p>Optimise how skills are used in the workplace.</p> | <p>Work together to expand our collective capabilities.</p> <p>Generate new approaches to entrenched challenges.</p> <p>Focus our energies on national outcomes.</p> |

Within this overall strategy, SDS identifies its priority groups of individual customers, who are:

- Young people (aged 16 to 19) particularly those in need of more choices and more chances.
- Adults (aged 20+) who need new skills to find work.
- Adults aged 20+, already in work, who need to enhance their skills.

The strategy identifies that Modern Apprenticeships will:

“Continue to form a key part of our integrated portfolio of occupational skills development services....and they will be further developed”.

2.13 The emphasis that SDS places on the Scottish Government's key sectors. Of these (creative industries, financial and business services, energy, food and drink, tourism, life sciences and universities) only Life Sciences has any obvious direct relevance to the healthcare field.

2.14 SDS's Scottish Employer Service is a specific function that seeks to improve skills utilisation by raising the uptake of skills and learning within the workforce. This service is for employees of all key employers. The Operating Plan states that it will include targeted financial support packages towards training and development for *young people* and *unemployed adults* including building the number of Modern Apprenticeships within employers (author's emphasis). Of course, this does not take away from the principal responsibility of the Sector Skills Councils for the development and ownership of Modern Apprenticeship Frameworks.

A particular emphasis of the service is on:

"Focusing on the returns to business and improving the business bottom line by investing in the skills of their current and future workforce".

Whilst the focus is on employers within the Scottish Government key sectors the Operating Plan notes that:

"We will also work with large employers in the public sector, such as NHS Scotland, to optimise the benefits of this service".

Key Points

- Workforce Development in the NHS is viewed in this study within the overall Career Framework for Health and the Knowledge and Skills Framework (KSF).
- Modern Apprenticeships are seen within national economic and skills strategies as an important tool in ensuring that Scotland has a productive and deployable workforce.
- They represent one of the tools that can be used to support workforce development challenges within NHS Scotland, most particularly at Levels 2 to 4 of the Career Framework for Health.

3.0 MODERN APPRENTICESHIPS AND THEIR BENEFITS

INTRODUCTION

- 3.1 This section of the report provides an overview of Modern Apprenticeships and how they operate before going on to summarise the main evidence that is available on the organisational benefits of Modern Apprenticeships. It is largely drawn from the literature review, supported by internal consultations with SDS staff.

MODERN APPRENTICESHIPS

- 3.2 Designed to help create a high calibre workforce in Scotland, Modern Apprenticeships were developed in 1994 by employer-led partnerships between National Training Organisations (NTOs) and the then Local Enterprise Companies (LECs). They are supported by the CBI and the STUC. Importantly, all the Modern Apprenticeship Frameworks are developed by the Sector Skills Councils for the industry or sector in which they will be implemented and therefore encompass all the skills required for the particular role. Although often focused on new and younger employees, Modern Apprenticeship Frameworks can also be used as the basis for training of older employees.
- 3.3 Modern Apprentices in Scotland must be in employment when they commence their training and their employer must agree that their job role is appropriate for the qualification. Apprentices gain their skills and knowledge through a mix of on-the-job experience and off-the-job learning, sometimes involving attendance at a college or other learning establishment. A Training Agreement is drawn up that is specific to each Modern Apprentice.
- 3.4 Modern Apprenticeship Frameworks are specific to each industry or sector. However, all such Frameworks consist of three elements:
- The occupational S / NVQs (usually at Level 2 or 3) are central to every Modern Apprenticeship Framework.
 - Core skills (communication, information technology, numeracy, problem solving, working with others) are included, recognising that these are needed for a flexible and productive workforce.

- Modern Apprenticeships can also contain additional components that vary from industry to industry. These can include additional units from other S / NVQs, industry-specific qualifications or academic qualifications such as Higher National Certificates and Diplomas.

Modern Apprenticeships therefore incorporate S / NVQs but go beyond this to deliver the range of core skills (broadly similar to those identified in the government's skills strategy), which are recognised as being important to employee effectiveness. They also have at least the potential to be more effectively tailored to employers' needs, given their industry-led nature and the incorporation of additional components highlighted by the industry concerned through the Sector Skills Council.

- 3.5 It is important to note that Modern Apprenticeships now cover a wide range of occupational types including within the service sectors and have therefore extended well beyond the "traditional" trades.

A range of Modern Apprenticeships have **potential** relevance to NHS staff. These cover some clinical areas (e.g. Dental Nursing, Health and Social Care, Life Sciences) but also a wide range of non-clinical areas (e.g. Business Administration, Customer Service, Hospitality, Accounting, Construction, Contact Centres, Electrotechnical Services, Engineering, Information and Communications Technology, Land-based Service Engineering, Learning and Development, Management, Occupational Health and Safety).

MODERN APPRENTICESHIP CENTRES

- 3.6 Modern Apprenticeships may only be registered through organisations approved by the relevant Sector Skills Council to deliver the Modern Apprenticeship framework; such organisations are called Modern Apprenticeship Centres and may be the employer of the apprentice, or a learning organisation such as a training provider or Further Education college. To become a Modern Apprenticeship Centre organisations must make formal application to the relevant Sector Skills Council and will typically be approved by an appropriate Awarding Body as a centre for assessment of the relevant SVQ / NVQ within the Framework. Certain other requirements in terms of quality systems may also be set out.
- 3.7 The responsibilities of the Modern Apprenticeship Centre include the following:
- Assessing the Modern Apprentice against the relevant standards within the Framework.

- Entering into a formal training agreement with the Modern Apprentice (and their employer when this is not the Centre).
- Registration of the Modern Apprentice with an appropriate Awarding Body as a candidate for the relevant S / NVQ and other selected units.
- Registration of the Modern Apprentice with the relevant Sector Skills Council.
- Application on behalf of the Modern Apprentice for the final certificate of Modern Apprenticeship completion.

The relevant Sector Skills Council maintains a database of Modern Apprenticeship Centres, which is made available to employers and others.

RESPONSIBILITIES FOR DELIVERY OF MODERN APPRENTICESHIPS

3.8 A wide range of stakeholders are involved in the delivery of Modern Apprenticeship Frameworks and we have summarised the main stakeholder responsibilities below:

| Stakeholder | Outline of Role |
|-----------------------------------|--|
| Sector Skills Councils (SSCs) | SSCs are responsible for developing and designing Modern Apprenticeship Frameworks; they are required to work with employers in their sectors to ensure that the Frameworks meet their needs and to demonstrate the evidence for this within the Modern Apprenticeship Framework document. In Scotland, this is submitted to the Modern Apprenticeships Group (MAG) for approval. |
| Skills Development Scotland (SDS) | SDS provides advice and guidance to individuals on the range of Modern Apprenticeships open to them under the Careers Scotland brand; it also provides support and advice to employers through its National Employers Service. SDS can provide a contribution towards the overall cost of training for approved Modern Apprenticeship Frameworks but the availability and level of support varies by Framework and client group. The Frameworks can be used by employers to train both new and existing employees, which can be done irrespective of whether any financial support is available. |

| | |
|-----------------------------|--|
| Awarding Bodies | Awarding Bodies have the responsibility to ensure that centres are approved, that assessors and verifiers are suitably qualified, trained and monitored and that all assessment criteria of the S / NVQs and S / NVQ units are met. |
| Modern Apprenticeship Group | This is an independent group drawn from key stakeholders involved in the management and delivery of the Modern Apprenticeship programme in Scotland. It has responsibility for approval of Modern Apprenticeship Frameworks and for encouraging best practice. |

THE ORGANISATIONAL BENEFITS OF MODERN APPRENTICESHIPS

3.9 The SDS website describes the overall benefits of Modern Apprenticeships thus:

“A highly trained workforce enables an organisation to keep pace with changes in technology and working practices giving the business a competitive edge”. Modern Apprenticeships also help to provide clear paths, enabling you to retain valued employees”.

RETURN ON INVESTMENT IN MODERN APPRENTICESHIPS

3.10 Essentially, measuring return on investment in training requires identification of the costs of that training and comparison of this to the benefits. Costs can arise in a number of ways and typically could include:

- Development costs
- Course materials
- Facilitator / trainer costs
- Equipment costs
- Venue costs
- Travel costs
- Meals/refreshments costs
- Participants’ salaries and benefits
- Administrative costs
- Assessment costs
- Evaluation costs

These headings are incorporated (in summary form) in the outline costed models that follow later in this report.

A range of approaches exist for the evaluation of the benefits and the Kirkpatrick model⁶ illustrates the main components of such approaches, as shown below:

| Evaluation type (what is measured?) | Description | Examples of tools and methods | Practicability |
|--|--|--|---|
| Reaction | How participants felt about the training or learning experience. | Feedback sheets; Verbal reaction, post-training surveys or questionnaires. | Quick and very easy to obtain; Not expensive to gather or to analyse. |
| Learning | Measurement of the increase in knowledge. | Typically assessments or tests before and after the training; Interview or observation can also be used. | Relatively simple to set up; clear-cut for quantifiable skills; Less easy for complex learning. |
| Behaviour | The extent of applied learning on the job - implementation. | Observation and interview over time are required to assess change, relevance of change and sustainability of change. | Requires cooperation and skill of line-managers. |
| Results | The ultimate effect on the business or environment by the trainee. | Measures usually in place via normal management systems but attributability is difficult. | Challenge to attribute organisational benefits to individual learning. |

⁶ Donald L. Kirkpatrick, Evaluating Training Programs, 1994

3.11 Whilst the academic research on the direct costs and benefits of employer investment in apprenticeship training is somewhat limited, substantive evidence is now available from work conducted by the Warwick Institute for Employment Research.⁷ This research involved comprehensive case studies within six industrial sectors (Business Administration, Construction, Engineering, Hospitality, Retail and Social care) designed to provide a mix of traditional and non-traditional sectors. It focused on the costs to the employer of training, the structure of training, impact on labour market retention and recruitment and an assessment of the relative productivity of fully experienced workers trained via Apprenticeships schemes compared to fully experienced workers recruited externally.

3.12 In the table below we have extracted the key findings for each of the six case study sectors considered in the research:

| Sector | Net Cost of Training the Apprentice | Payback Period |
|-------------------------|---|-----------------------------|
| Business Administration | £3,464 if completed within two years; £3,898 if completed within three years. | Within two years |
| Construction | £22,043 | Usually less than two years |
| Engineering | £28,762 | Less than three years |
| Hospitality | £4,236 | A little over one year |
| Retailing | £2,305 | Within one year |
| Social Care | £4,359 if to VQ Level 2: up to £7,743 if to VQ Level 3. | Up to four years |

3.13 The consultations undertaken with businesses as part of the aforementioned study highlighted a range of benefits, including:

- Supply of skills (and qualities) not necessarily available on the open market.
- Replacement for an ageing workforce.
- Reduced recruitment costs and costs of induction.

⁷ Warwick Institute for Employment Research, The Net Benefit to Employer Investment in Apprenticeship Training, A Report for the Apprenticeship Ambassadors Network, Hasluck, Hogarth, Baldauf and Briscoe, November 2008.

- Lower labour turnover (businesses reported that apprentices were more likely to stay with the organisation).
- Demonstration of company commitment to the employee.
- A more practical and job-related focus to training.
- New ideas and innovation from trainees.
- Enhanced reputation for the organisation in the wider community.

However, the authors also note the current danger that:

“In such difficult times.....the decision is made based on short-term considerations rather than a longer term view appropriate to investment”.

Arguably, this is not a new phenomenon and budgetary pressures only serve to highlight the recognised difficulty in quantifying the benefits of investment in people. Indeed, the uncertain information as to the returns on such investment could be seen as one of the key “market failures” that would form the rationale for public sector support for investment in training.⁸

- 3.14 One instance of return on investment analysis of a health-related training intervention relates to the Advanced Theatre Support Worker Project at the Leeds and Bradford Teaching Hospitals.⁹ This project aimed to develop support workers to undertake a limited scrub and recovery role. This was underpinned by the competency framework of the NVQ Level 3 Health Perioperative Care and it was anticipated that on completion the NVQ qualified support workers would have Band 3 (Agenda for Change pay scale) jobs.

The evaluation of this initiative was undertaken using a variant of the aforementioned Kirkpatrick Model and it was noted that participants recognised benefits in relation to issues such as job satisfaction, working to their full potential, team working, motivation and better use of resources.

⁸ In broad terms, “market failure” refers to scenarios where an individual or organisation’s pursuit of its own perceived interest leads to results that are not efficient for society as a whole.

⁹ Findings based on Skills for Health Dissemination Paper Skills for Health, The Advanced Theatre Support Worker Project, January 2010.

Detailed efficiency savings were determined through a quantitative survey and were based on a mix of staff hours saved, reductions in a need for overtime and agency workers and reduced downtime caused by delays in patient throughput. The evaluation identifies annual savings amounting to £375,133 set against an investment of £50,000.

- 3.15 Whilst there is an emerging body of research on the business benefits of Modern Apprenticeships, it does need to be recognised that much of the quantitative evidence on return on investment (ROI) of Modern Apprenticeships is not specific to the health care context. In addition, some of the instances that have benefitted from robust ROI evaluation within the healthcare context have not been specific to Modern Apprenticeships. As will be noted in Chapter 4, local training and development professionals in individual Health Boards have identified that a lack of quantitative information on the benefits of investment in different types of training (in particular, information specific to the healthcare context) means that that they do not necessarily have the evidence to make the case for investment in training and development.

Key Points

- Modern Apprenticeship Frameworks are developed by the relevant Sector Skills Councils for each industry and include three elements: occupational S / NVQs, core skills and, on occasion, specific additional components.
- A wide variety of Modern Apprenticeship Frameworks are of potential relevance within the NHS.
- Apprenticeships must be registered through Modern Apprenticeship Centres, approved by the relevant Sector Skills Council, and will typically be approved centres of the Awarding Body for the S / NVQ element.
- Substantive research is emerging that shows enhanced productivity amongst fully experienced workers trained through the Apprenticeship route as compared to fully experienced workers trained through another route.
- There is not a substantial body of such research specific to the health sector at present.

4.0 THE POTENTIAL FOR MODERN APPRENTICESHIPS IN NHS SCOTLAND

INTRODUCTION

- 4.1 This section of the report is drawn mainly from the consultations undertaken with practitioners within the NHS, both on the basis of in-depth interviews and the workshops that have been alluded to; certain supporting information is also drawn from the parallel survey on the benefits of SVQs conducted by SCMI Associates. In the first instance, the relevant workforce development issues are identified and current provision is explored. The opportunities for Modern Apprenticeships to address the needs identified are then considered along with the barriers to their adoption.

WORKFORCE DEVELOPMENT ISSUES FOR THE NHS

- 4.2 The first area to note here is the potential for skills shortages in a number of areas brought about by the ageing workforce as described in the previous section. This was also apparent in our consultations:

“We do need to get younger people into the Health and Social care Workforce”.

“We are going to lose highly skilled personnel in areas like admin and clerical”.

- 4.3 In the interviews we also identified a number of areas where participants felt that potential organisational benefits could indeed accrue from investments in Modern Apprenticeships. For example, a number of participants identified area that they considered to have been historically underinvested in:

“Administrators are a big group not being used to their full potential”.

- 4.4 The most common examples cited related to staff within administration and support services. Commonly, the suggestion was made that in many parts of the NHS the culture did not value investment in these areas as compared to clinical areas:

“There is a hierarchy of importance placed on training in the NHS; the clinical side is viewed as much more important”.

- 4.5 In Section 2, it was identified that the strategic direction within the NHS is towards productivity improvements through redefinition of certain roles and, with it, a need for more flexible and multi-skilled staff. This was again reflected in the consultations:

“We need more generic, multi-skilled staff but there won’t be as many of them”.

“A flexible workforce with increased capacity”.

- 4.6 We also noted the importance of the Knowledge and Skills Framework (KSF) within the NHS. A number of those we spoke to highlighted the importance of demonstrably linking training and development to the KSF and felt that Modern Apprenticeships (and, indeed, VQs generally) could make a significant contribution to this.

“MAs and SVQs are one of the ways we can demonstrate what we are actually achieving”.

CURRENT PROVISION

- 4.7 SVQs are currently delivered in various parts of NHS Scotland, primarily for clinical healthcare workers but also, in lower numbers, for other staff. In 2006-07, the Scottish Government Health Department provided funding to support the establishment of approved SVQ centres within NHS Boards. Most centres are now entirely reliant on non-recurrent funding from within their own Health Board and it was noted in the interview programme with practitioners that such resources are coming under increasing pressure.

- 4.8 Administrative Services and Support Services employ a substantial number of people and NES has conducted a scoping study¹⁰ to establish a profile of these groups and their learning needs. Some of the key findings included:

- For administrative services staff, there is a lack of formalised structures to support learning, a reliance on learning from colleagues and a lack of appreciation of important administrative skills.

¹⁰ Developing an Education Framework for Staff in Administrative Services and Support Services; NES, 2008.

- For support services staff, a high proportion of the workforce is aged 50+ (as noted above); for this group, there is limited availability of accredited learning programmes and a lack of provision to develop trade skills.
- For both groups, there is a lack of acknowledgement of how their roles relate to the patient experience, a lack of support for development of management skills and a lack of recognised career pathways.

As will be discussed in future sections, Modern Apprenticeships are one of the tools that could address a number of these concerns.

MODERN APPRENTICESHIPS IN NHS SCOTLAND

- 4.9 In profiling the current adoption of Modern Apprenticeships in Scotland it is necessary to recognise that, whilst there will be instances where the NHS employer is the Modern Apprenticeship Centre, there are a number of other circumstances where NHS employees can undertake Modern Apprenticeships. For example, the Modern Apprenticeship may be offered through a college and / or may be funded directly by the Health Board concerned.
- 4.10 Throughout our investigations, it was clear that there is currently very little adoption of Modern Apprenticeship Frameworks within NHS Scotland. In the 2009 / 10 financial year, the only Modern Apprenticeships funded by Skills Development Scotland were as follows:
- NES – a single contract covering 10 places for 16-19 year olds in Pharmacy Services across Scotland.
 - NHS Dumfries and Galloway – 15 Business Administration places for 16-19 year olds.
 - NHS Greater Glasgow and Clyde – 10 places in Business Administration and 10 places for Lab Technicians

The latter example, which was not age-limited, was agreed on the basis of a specific dispensation.

- 4.11 We identified the following additional examples through the consultations:
- Hospitality Modern Apprenticeships in Orkney.

- Engineering Modern Apprenticeships within NHS Grampian.
- Modern Apprenticeships in a variety of trades areas in NHS Lothian.
- Modern Apprenticeships in a variety of trades areas in NHS Tayside.
- Pharmacy and Radiology Modern Apprenticeships delivered within NHS Borders¹¹.

We also identified a number of Modern Apprenticeship programmes that had been delivered previously:

- In 2002, NHS Borders delivered a programme for 7 Modern Apprenticeships in Business Administration, with candidates drawn from various workplace locations within the Board – funding support from Scottish Enterprise Borders was received for this.
- Following this, funding was received from SE Borders to support four physiotherapy assistants to achieve the Modern Apprenticeship at Level 3 in Diagnostic and Therapeutic Support.¹²
- Dental Nursing MAs were delivered across a number of Boards.
- Several Modern Apprenticeships in hospitality were delivered to staff in the NHS National waiting Times Centre (Golden Jubilee).

Given the manner in which Modern Apprenticeships are procured by individual teams and managers (sometimes without the knowledge of colleagues in learning and development teams) and the potential for ad hoc arrangements to have been made with individual learning providers it seems highly likely that some additional delivery of Modern Apprenticeships will have been undertaken. However, it is still reasonable to conclude that delivery has been somewhat ad hoc, fragmented and limited in scope.

¹¹ It is understood that these are delivered through City and Guilds and utilise English Apprenticeship Frameworks.

¹² It is again understood that this is an English Apprenticeship Framework.

- 4.12 A quantitative appreciation of the usage of Modern Apprenticeships and attitudes towards them can also be derived from the survey of managers within NHS Scotland that was undertaken as part of a wider project on the benefits of SVQs by SCMI Associates in the spring of 2010¹³. Within this survey, only 20 out of 171 managers (11.7%) had ever used Modern Apprenticeships and only 12 (7%) had any plans to do so.
- 4.13 Amongst those consultation interviewees that had used Modern Apprenticeships, the feedback has been positive (albeit of a qualitative nature):

“Modern Apprenticeships are much more embracing of the jobs and professions we are talking about, compared to SVQs”.

“The “brand” of Modern Apprenticeships has stronger provenance than SVQs”

POTENTIAL AREAS OF FIT FOR MODERN APPRENTICESHIPS

- 4.14 Within the interviews we explored with interviewees those areas where they felt that Modern Apprenticeships might be of value within NHS Scotland. A range of specific examples suggested are set out below, which include areas where some MA delivery is already apparent, as detailed above:

- Clinical areas, including:
 - Health Care Support Workers¹⁴
 - Dental Nursing
 - Pharmacy
 - Laboratory staff

¹³ Assessing the Value of SVQs to Employers in NHS Scotland, extract of online survey information; SCMI Associates, 2010.

¹⁴ The Scottish Government and NES defined the Health Care Support Worker Role thus in “A Guide to Health Care Support Worker Education and Role Development”: *“The HCSW has the awareness and ability to address the basic care needs of individual patients / clients under the direction and supervision of healthcare professionals. They support the multidisciplinary team in the delivery of high quality care. The HCSW will possess, or have the opportunity to possess within an agreed timeframe, education at SCQF Level 6”.*

- Non-clinical areas including:
 - Administration Staff
 - Hospitality and catering
 - Facilities and estates staff (including, for example, domestic staff, porters and various trades).

There were a number of reasons for these particular suggestions being put forward and these reasons reflected a number of the workforce developments for NHS Scotland identified at the beginning of this chapter. Common themes included: potential skills shortages; areas of historic underinvestment; support for redefinition of roles / more flexible working; and the need for demonstration of achievement with respect to the Knowledge and Skills Framework.

BARRIERS

- 4.15 Within our consultations, we recognised a number of specific barriers to a greater level of adoption of Modern Apprenticeships within NHS Scotland and we now comment further on these barriers.
- 4.16 As we have noted previously, the availability of resources at a local level is a paramount issue and it was clear from our consultations that these were coming under pressure:

“It comes down to money; there are long term benefits but immediate cash shortages”

“Our VQ costs are now essentially funded from internal budgets”.

“You are talking about £1,500 to £2,000 for an MA and that is not available to us”.

“Short termism is a problem as well as the constraints of budget”

This, in turn, means that issues such as demonstrating the value to the organisation of investment in Modern Apprenticeships, ensuring value for money and maximising access to funding streams are increasingly important.

- 4.17 These concerns are clearly exacerbated by the views expressed by a number of consultees that the organisational culture within the NHS does not lead to any priority to the development of Administrative and Support Services staff:

“It is a real challenge to get the organisation to recognise the need for development of people in lower grade positions”.

“Although we are delivering some Modern Apprenticeships, the organisation has certainly not yet bought into this”.

This means that an even more compelling (and quantifiable) case needs to be made for the business benefits of employee training in these areas:

“It is difficult to get the Board to collaborate with our training plans because they don’t really believe the benefits sometimes”

“The organisation fails to set clear objectives for training at the outset and is therefore unable to measure return on investment”.

- 4.18 However, even before funding becomes an issue, a lack of awareness of Modern Apprenticeships was very apparent:

“What exactly is a Modern Apprentice? What does it involve?”.

“We need some kind of one-stop-shop for this information”.

“People in the organisation don’t know what it is”.

- 4.19 A number of questions were raised by consultees about the genuine added value of SVQs and, indeed, as to whether Modern Apprenticeships added value over and above SVQs:

“What is the benefit over and above the SVQ?”.

“Like SVQs, Modern Apprenticeships just seems to be about assessment of competence, which is just “nice to know”; they are fine if you are using them with inexperienced people”.

There are two separate but related points to be considered here. Firstly, there is the question as to whether qualifications (such as Modern Apprenticeships and SVQs) in themselves add value with regard to the candidate’s abilities and competences or whether in reality they simply provide a measure of achievement. Some consultees suggested that there could be considerable variation in the extent of the training and wider development support offered within Modern Apprenticeships and that this was particularly the case where the NHS employer was not the Modern Apprenticeship Centre.

Concerns as to the effectiveness and content of some programmes are apparent in the external literature with Gallagher et al (2004), for example, suggesting that there are:

“Widespread differences in the nature and extent of training provided within the Modern Apprenticeship Frameworks”.¹⁵

Such views were also apparent in the consultations:

“The current Health and Social Care Modern Apprenticeship isn’t really fit for our purposes”.

“There are some unscrupulous providers that really only tick boxes”.

- 4.20 The second issue relates to the comparison between Modern Apprenticeships and S / NVQs as workforce development tools. In principle, there are key distinctions in terms of the incorporation of core skills and, on occasion, additional components within the Modern Apprenticeship Framework. Modern Apprenticeships therefore have at least the potential to be a more effective route when such elements are lacking and / or are of particular importance to the job role. However, the generally limited awareness and understanding of Modern Apprenticeships leads to a situation where the costs and benefits of each option are not always assessed in detail before decisions are made on which, if any, route to take.
- 4.21 A range of practical barriers to delivery (often related to location and / or scale) were also apparent. These included:
- The geographical spread of places of employment within some Health Boards - *“travel is an issue”*.
 - Pressures on internal staff which meant that they were not able to accord sufficient support to trainees - *“Where is the time to train trainees if we don’t have enough staff to carry out the jobs?”*.
- 4.22 A number of Boards had also found the apparent bureaucracy associated with Modern Apprenticeships and / or S / NVQs to be challenging:

“The funding application process can be bureaucratic and time consuming”.

“The system needs streamlined”

¹⁵ Quoted in “Modern Apprenticeships and Return on Investment”, an internal background paper provided to the authors by SDS.

4.23 The two main approaches to delivering assessment of Modern Apprenticeships involve the use of either workplace-based or peripatetic assessors. Workplace-based assessors will usually have a separate job to which their assessment responsibilities is an “add on” and they will typically undertake assessment of candidates within a specific work location. Peripatetic assessors, on the other hand, will assess candidates across a number of locations and are likely to be employed specifically as either full or part time assessors (whether directly by the NHS employer or by an external provider). In both cases, however, it should be noted that assessment is still carried out in the workplace.

Interviewees noted the potential benefits of having workplace assessors with a deep knowledge of job requirements but also noted considerable difficulties in making this happen on a practical basis due to other pressures and calls on assessors’ time. On the other hand, the use of peripatetic assessors was constrained by the ability to resource this internally (especially in smaller Boards) and question marks over the knowledge of external peripatetic assessors:

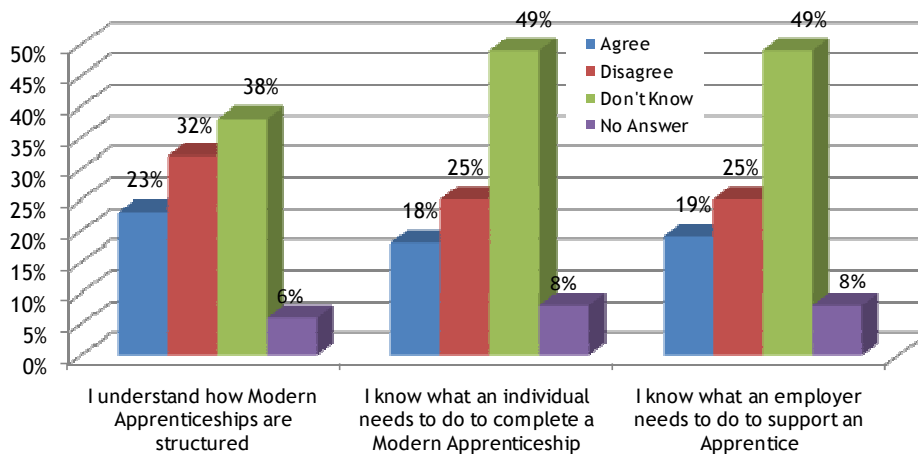
“Peripatetic assessors are too expensive but the Wards did not manage the workplace assessors”.

“You can hold external assessors to account”.

“It is not always easiest to make things work with workplace assessors”.

4.24 The SMCI Associates survey provides further quantitative evidence to support the findings of the consultations, particularly with regard to a lack of awareness of Modern Apprenticeships within the NHS. The survey responses illustrate a very limited knowledge base amongst managers with regard to Modern Apprenticeships (numbers may not add to 100% due to rounding):

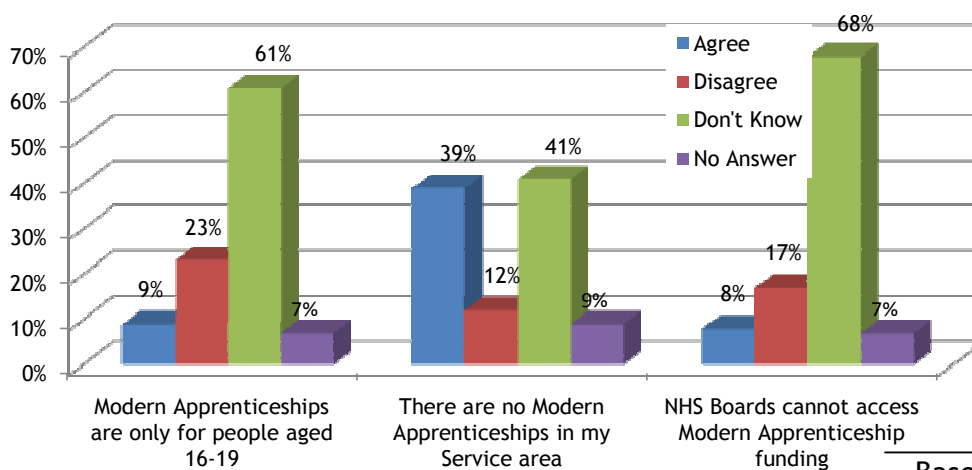
Figure 4.1: Knowledge of Modern Apprenticeships Amongst NHS Managers



Base: 171

4.25 The lack of awareness (and possibly some degree of misconception) in relation to Modern Apprenticeships are also apparent, as illustrated below:

Figure 4.2: Understanding of Modern Apprenticeships Amongst NHS Managers



Base: 171

- 4.26 The most notable finding in all of this is the high proportion of “don’t know” responses in relation to all of these issues. Whilst Modern Apprenticeships are commonly targeted at 16-19 year olds (and SDS prioritises funding at these groups) it is not the case that Modern Apprenticeships are only for people aged 16-19. Given the number of Modern Apprenticeships with potential relevance to health, these findings suggest that many managers are unaware of the range of Modern Apprenticeships that could be relevant to their area of work. Finally, whilst there are restrictions on the sources of funding available, the belief that NHS Boards cannot access such funding is not wholly accurate.
- 4.27 The limited knowledge of managers within NHS Scotland is further reflected in answers to two further questions in the SCMI Associates research.

Only 31% of people expressed a view in response to the statement that “it takes too long to train an apprentice”, with the remainder either not answering (10%) or giving a “don’t know” response (69%). Having said this, of the 53 respondents that did express a view, most (87%) disagreed with the view that “it takes too long to train an apprentice”.

Only 35% of all those surveyed expressed a view in relation to a statement that “there are some existing staff in my area who would benefit from an apprenticeship”, with the balance again being either people not answering (9%) or “don’t know” responses (59%)¹⁶. Of those who did express an opinion (56 respondents) 61% felt that there were staff in their area who would benefit from an Apprenticeship.

¹⁶ Numbers do not add to 100% due to rounding.

Key Points

- A range of workforce development needs are apparent within NHS Scotland relating to: the need to address the problem of an ageing workforce, historic under-investment in administrative and support services staff, increasing need for flexible and multi-skilled staff and a need to demonstrate the link between development activity and the Knowledge and Skills Framework.
- Modern Apprenticeships have a potential role to play in the workforce development “mix”, primarily, but not exclusively, in non-clinical areas.
- Delivery of Modern Apprenticeships within NHS Scotland in the past has been relatively ad hoc, fragmentary and limited in scope. Although they should only be seen as one of a number of workforce development approaches that are available it is clear that there are fundamental barriers to their adoption.
- As well as cost, other barriers identified included: a lack of information about Modern Apprenticeships and their quantified benefits; limited priority placed on development of staff at the levels that they would address; scepticism as to the benefits of Modern Apprenticeships as compared to other workforce development approaches and a range of practical barriers to implementation.

5.0 THE COSTS OF MODERN APPRENTICESHIPS AND POTENTIAL FUNDING SOURCES

INTRODUCTION

- 5.1 In this section we summarise the various tasks that are required for the delivery of Modern Apprenticeships and the roles associated with these, setting out various models for delivery between the two extremes of wholly internal and wholly external delivery. This section of the report goes on to profile the indicative costs associated with these models and ends by summarising the main potential sources of funding. The material for this section is drawn from a variety of sources including the literature review, information provided as part of the in-depth interviews with practitioners and discussions undertaken in confidence with a small number of training providers.

DELIVERY MODELS

- 5.2 In looking at potential delivery models we can begin by considering the respective roles of the training provider and the employer (although these can be one and the same). These roles are detailed over the page:

| Role of the Training Provider | Role of the Employer |
|---|--|
| <p>Agreement of the Modern Apprenticeship candidate's training needs.</p> <p>Agreeing roles and responsibilities for on-the job training.</p> <p>Agreeing where off-the-job training is required and defining roles and responsibilities for this.</p> <p>Registering candidates with the SSC and, where appropriate, SDS.</p> <p>Compiling and agreeing assessment plans.</p> <p>Judging performance evidence.</p> <p>Completing assessment records.</p> <p>Reviewing candidates progress at regular intervals.</p> <p>Submitting records and evidence for moderation.</p> | <p>Payment of Modern Apprentices in line with company policy and current legislation.</p> <p>Agreeing roles and responsibilities for on-the job training.</p> <p>Agreeing where off-the-job training is required and defining roles and responsibilities for this.</p> <p>Meeting with trainers, assessors, verifiers and the Modern Apprentice to review progress.</p> <p>Witnessing candidate performance and verifying evidence.</p> <p>Releasing Modern Apprentices for off-the-job training in line with the training plan.</p> <p>Ensuring that the experience, facilities and training necessary to achieve the outcomes of the training plan are made available.</p> <p>Supporting and encouraging Modern Apprentices generally.</p> |

5.3 The delivery models essentially fall within two extremes:

- An entirely **internal** model where the employer is the Modern Apprenticeship Centre.
- An entirely **external** model where the employer contracts with an external centre to deliver all aspects of the Modern Apprenticeship; it should be noted that, in these circumstances, the employer still retains the role set out in the above table.

More commonly, **hybrid** models are delivered where some elements of the overall process are subcontracted externally.

5.4 The table below lists in some detail the functions required for delivery of Modern Apprenticeships and illustrates where responsibilities lie within each of the “internal” and “external” models referred to.

| Task | Internal Model | External Model |
|--|-----------------------|----------------------------------|
| Recruitment of the Modern Apprentice | Employer | Employer |
| Payment of Modern Apprentices in line with company policy and current legislation. | Employer | Employer |
| Agreeing roles and responsibilities for on-the job training. | Employer | Employer / Learning Organisation |
| Agreeing where off-the-job training is required and defining roles and responsibilities for this. | Employer | Employer / Learning Organisation |
| Registering candidates with the SSC and, where appropriate, SDS. | Employer | Learning Organisation |
| Compiling and agreeing assessment plans. | Employer | Learning Organisation |
| Meeting with trainers, assessors, verifiers and the Modern Apprentice to review progress. | Employer | Employer |
| Witnessing candidate performance and verifying evidence. | Employer | Learning Organisation |
| Judging performance evidence. | Employer | Learning Organisation |
| Ensuring that the experience, facilities and training necessary to achieve the outcomes of the training plan are made available. | Employer | Employer |
| Completing assessment records. | Employer | Learning Organisation |
| Reviewing candidates progress at regular intervals. | Employer | Employer / Learning Organisation |
| Submitting records and evidence for moderation. | Employer | Employer / Learning Organisation |
| Supporting and encouraging Modern Apprentices generally. | Employer | Learning Organisation |

5.5 The first key decision in terms of a delivery model is whether the employer will also be the Modern Apprenticeship Centre. There are a number of issues to consider here including a range of practical and financial considerations. If the employer is not already an approved centre for a relevant awarding body, there is a need to consider whether it has the resources available to become so (taking account of financial implications but also staff time). There is also a need to consider whether the necessary skills and experience to attain and maintain approved centre status already exist in-house or can be easily sourced.

Secondly, there is a need to consider whether any specific benefits come about through in-house delivery. For example, some employers may consider that the retention of in-house delivery allows them to have greater confidence in the quality of training and to ensure that such training is targeted at their specific needs.

5.6 The process of Modern Apprenticeship delivery can be broken down into a number of specific areas and the in-house / subcontract option can be considered for each of these elements:

- Recruitment of trainees (where needed)
- Learning delivery on the job (which by implication will be an internal function).
- Learning delivery off-the job (which could be internal and external).
- Assessment (either using workplace or peripatetic assessors as summarised below).
- Administration of the candidate registration and certification processes.
- Setting out training plans and conducting the necessary reviews.

When some form of hybrid model is adopted, some of these functions may be retained in-house, even when the NHS employer is not the Modern Apprenticeship Centre.

5.7 If assessment is in-house then a further choice is required between workplace assessors or the provision of dedicated peripatetic assessors. Whichever option is adopted, assessors need to be qualified in assessment, competent in the units they are assessing, and have sufficient time to undertake their role.

5.8 In choosing the nature of the delivery option a number of issues need to be considered:

- What resources need to be committed and will this be cost-effective for the number of candidates?
- Will there be clear lines of accountability for delivery?
- What approach will maximise the achievement of learning outcomes for candidates?
- What approach will best reflect the specific requirements of the organisation including a focus on the particular issues within the organisation?

These considerations are in addition to the assessment of cost and funding issues, which are explored in more detail in the remainder of this chapter.

ILLUSTRATION OF DELIVERY MODELS AND COSTS

- 5.9 The following section of the report provides illustrative costings for the various models of delivering Modern Apprenticeships. It should be stressed that these costs can vary markedly according to the particular Modern Apprenticeship and the costs illustrated are most typical of fairly common Modern Apprenticeships such as Business and Administration, Management and so on. More specialist areas (e.g. engineering) are likely to incur much greater costs. What is most important, however, is that all of these cost headings can be considered fully when any cost-benefit analysis of investment in Modern Apprenticeships is being undertaken.
- 5.10 The other key factor that needs to be borne in mind in profiling costs is scale. The illustrative costings below are calculated on a “bottom up” basis, identifying resource inputs and the costs associated with these, often on a “per day” basis. However, it could reasonably be argued that these costs only apply when there is a sufficient critical mass of candidates for the costs incurred to be amortised across them. For example, if a dedicated assessor were to be employed then, based, on the estimate of three days assessor time per Modern Apprentice over an estimated two year duration (as is assumed in the costings below) and assuming 200 working days available per annum, then the assessor would need to cover approximately 133 candidates over the period of a year to be fully utilised (although obviously, only part of their time may be allocated to the assessor role). In most cases, it seems unlikely that Modern Apprenticeship programmes would come near this number of candidates.

5.11 The tables below illustrate the indicative costs for a wholly internal approach to how a Business administration Modern Apprenticeship might be delivered within an NHS Board, calculated on a cost per candidate basis over the course of the programme. They show the distinction between variable direct costs and those sunk costs that also have to be accounted for.¹⁷

Firstly, we have estimated the direct variable costs:

| Item | Costs per candidate (over the course of the programme) | Assumptions |
|--|--|---|
| Assessment | £423 | This cost assumes employment of an assessor at current Agenda for Change Band 5, Point 19 (£23,563) ¹⁸ . It further assumes employee on costs of 20% and that 200 days are available for work in any given year (allowing for downtime etc.). This leads to a daily cost of £141 per day and we have assumed that three days of Assessor time will be required per candidate over the life of the Modern Apprenticeship. |
| Assessors travel and administration cost | £50 | These could vary according to a number of factors but a figure of £50 per candidate has been included for illustrative purposes. |
| Internal Verifier | £106 | Typically, internal verifier time would be 20% of assessor time as only a sample is taken. For illustrative purposes here we have assumed an Internal Verifier employed at Agenda for Change Band 6, Point 25 (£29,464) and have calculated costs as for “assessment” above (this leads to a “daily rate” of £177). |

¹⁷ Costs quoted should be seen as illustrative only. In particular, a number of assumptions have been made about staff costs which could vary according to staffing decisions made within different NHS employers delivering Modern Apprenticeship programmes.

¹⁸ Where indicative bands are shown here they have been chosen with reference to the interviews with local practitioners and associated material provided as part of these interviews.

| | | |
|---|-------------|---|
| Internal Verifier's travel and administration costs | £10 | These could vary according to a number of factors but a figure of £50 per candidate has been included for illustrative purposes (adjusted to take account of the 20% sampling factor). |
| Candidate Registration with Sector Skills Council | £50 | This will usually be a unit cost per candidate and the cost given here is an indicative one. |
| Candidate Registration with Awarding Body | £50 | This will usually be a unit cost per candidate and the cost given here is an indicative one. |
| Candidate Registration for Core Skills Group Awards | £30 | This will usually be a unit cost per candidate and the cost given here is an indicative one. |
| Candidate Materials (e.g. workbooks, portfolios) | £50 | This will usually be a unit cost per candidate and the cost given here is an indicative one. |
| Total direct variable costs per candidate before off-the-job training and candidate downtime is considered | £789 | |
| Direct cost of off-the-job training | £200 | This may be organised internally or externally, usually for a group of candidates. Off-the-job training is not necessarily required for a Modern Apprenticeship but is often undertaken. The figure quoted here assumes that 4 days of training are delivered at a cost per training day of £500 making a total cost of £2,000. For illustrative purposes this is amortised across a programme of 10 candidates to lead to the cost of £200 |
| Candidates' expenses for off-the-job training | £80 | These are assumed at £20 per training day per candidate and four days off-the-job training is assumed. |

| | | |
|---|---------------|---|
| Candidate downtime | £890 | This is that part of the Modern Apprentice's time that is not spent directly on productive work. This cost assumes employment of the Modern Apprentice at current Agenda for Change Band 2, Point 4 (£14,779). ¹⁹ It further assumes employee on costs of 20%.and that 200 days of work are available within any given year. This leads to a daily cost of £89 per day and we have assumed that there will be 20 days of such downtime over the course of the Modern Apprenticeship. |
| <i>Total direct variable costs per candidate after off-the-job training and candidate downtime is considered</i> | £1,959 | |

5.12 A full understanding of the costs associated with Modern Apprenticeships also requires a share of certain fixed (or “sunk”) costs to be taken into account. These are costs that the organisation has committed to in the short term, whether or not any Modern Apprenticeship programme is taking place. However, there is an opportunity cost of using these resources as they could otherwise be deployed elsewhere.

The figure below illustrates an example of these costs but it should be noted that they could vary significantly according to the Modern Apprenticeship programme to be delivered:

¹⁹ In practice, it may be that newly recruited Modern Apprentices are placed on a training grade and this value may therefore vary.

| Item | Costs per candidate (over the course of the programme) | Notes |
|---------------------------------------|--|---|
| Management time | £354 | This would cover the recruitment and support of the Modern Apprentice as well as the time spent meeting with the Modern Apprentice and any internal or external learning providers. Some management time will be required, even when the main part of delivery of the Modern Apprenticeship is contracted out. For illustrative purposes we have assumed employment of a Manager at Agenda for Change Band 6, Point 25 (£29,464) and have assumed employee oncosts of 20% and 200 days available for work per annum. This leads to a cost per day of £177 and we have assumed 2 days per candidate over the life of the Modern Apprenticeship (over and above general management duties). |
| Administration time | £51 | This should estimate the staff time used in compiling and retaining records, liaising with external bodies and so on. To provide an illustration of this, we have assumed employment of an Administrator at Agenda for Change Band 3, Point 9 (£17,118) and have assumed employee oncosts of 20% and 200 days available for work per annum. This leads to a cost per day of £102 and we have assumed 0.5 days per candidate over the life of the Modern Apprenticeship (over and above general administration duties). |
| Resource use | £100 | Modern Apprentices will typically make use of facilities such as office and meeting space as well as other materials. An illustrative estimate of these of the costs per candidate has been made here to ensure that all possible costs of the Modern Apprenticeship are taken into account (this is over and above any such costs that would be incurred in the course of the Modern Apprentice's work in any case). |
| Total estimate of "sunk" costs | £495 | |

- 5.13 The variable and fixed costs of a “typical” Modern Apprenticeship candidacy are estimated here at £2,454 (£1,959 direct variable costs plus £495 sunk costs). It should be stressed again that this does not include employment costs but does include provision for lost productive time.
- 5.14 It can be difficult to compare the costs of internal delivery to the costs of Modern Apprenticeships delivered by an external provider. Costs can vary significantly according to the funding arrangements that providers already have in place and according to the Modern Apprenticeship Framework concerned. Also, in considering any external costs that are quoted it is necessary to be clear about which cost items they actually encompass and which may still have to be borne by the NHS employer. It would be not uncommon, for example, for providers to quote on the basis of provision of assessment, internal verification and management of all SSC / Awarding Body liaisons but not to include direct training costs. In these circumstances, direct costs of trainers, materials, venue costs, candidate’s expenses and so on would be borne by the employer as well as the “sunk” costs of employee and management time.
- 5.15 As part of our investigations we asked a number of training providers as to the typical cost of a Modern Apprenticeship delivery. Whilst noting that this could depend on a number of variables, all of those that we were able to speak to considered that a cost of £1,500 to £2,000 per candidate was a reasonable fee for most Modern Apprenticeships, with this figure covering assessment, verification, registration, certification and administration but without provision for any off-the-job training.

5.16 The table below provides illustrative costs of a typical “external model” of Modern Apprenticeship delivery, taking into account the costs that could still be incurred by the employer under this model:

| Item | Costs per candidate (over the course of the programme) | Notes |
|--|--|---|
| Fees to external provider | £1,500 to £2,000 | Illustrative costs |
| Direct cost of off-the-job training | £200 | It is assumed that this would not be included in the fee to an external provider although such matters are for negotiation. |
| Candidates’ expenses for off-the-job training | £80 | As above |
| Candidate downtime | £890 | Assumptions as in previous tables |
| Management time | £354 | Based on the same assumptions as in the previous table above. |
| Administration time | £51 | Based on the same assumptions as in the previous table above. |
| Resource use | £100 | Based on the same assumptions as in the previous table above. |
| Total estimate of costs for “external model” including direct variable costs (including external fees) and sunk costs | £3,175 to £3,675 | |

Whilst this band of costs is clearly higher than the costs outlined for the wholly internal model (reflecting the provider’s own margins) this needs to be set against the issues of scale mentioned previously in identifying the “real” cost of internal delivery. That is to say, unless there is sufficient critical mass of candidates, the unit cost per candidate for the internal model could be significantly higher than that set out in these illustrations.

5.17 As discussed above, issues of quality and practicality also need to be taken into account in making a decision as to how to proceed. For example, Boards which do not currently have appropriate management and assessment resource in place (and are not approved SVQ centres) would incur significant costs in establishing such capacity and would need to reassure themselves that they either have the knowledge and expertise in place to do so or can source this.

POTENTIAL SOURCES OF FUNDING

5.18 The first source of funding to consider is from internal training budgets. Whilst there are considerable pressures on these they do have the advantage of flexibility. Decisions can be made based only on the costs and benefits of the investment made and are not constrained by, for example, age restrictions. Many employers (in sectors such as engineering and others) pay colleges directly for the cost of delivering Modern Apprenticeships through commercial arrangements.

5.19 Skills Development Scotland contracts with private learning providers and colleges to deliver the national training programmes, including Modern Apprenticeships. Proposals are invited annually although some budget is held over for ad hoc additional requirements. Those submitting proposals are required to provide information on:

- How the courses / qualifications fit with SDS strategy and labour market demands.
- The rationale for delivery of the specific courses / qualifications.
- Experience in delivering the National Training Programmes.
- Methodologies and approaches to quality.
- Approach to conforming with SDS legal requirements.

It should be noted that SDS current policy is not to fund Modern Apprenticeships for people aged 20+ in the public sector, including within the NHS.

- 5.20 ILA Scotland (Individual Learning Accounts) is a Scottish Government scheme delivered by Skills Development Scotland. ILA Scotland funding is available to staff wishing to acquire new skills on their own time. The scheme is not designed to offset a company's training costs but rather to provide individual employees with an opportunity to enhance their skills through personal development. Up to £500 is available each year to individuals over the age of 16 who live in Scotland and have an annual income of less than £22,000. Whilst probably not relevant for core costs of Modern Apprenticeships, their usage to augment learning by Modern Apprentices may be appropriate in some cases.
- 5.21 The European Social Fund has been a key method of supporting employment and assisting individuals to enhance their skills; SDS has worked with partners to access funds to innovate in a number of skills and employability areas.
- 5.22 During the course of investigations for this assignment it has been brought to our attention that other sources of funding (e.g. fragile communities support) may be available in certain areas and these funding opportunities at a local level should also be considered, where appropriate.
- 5.23 We have also identified a number of instances of Modern Apprenticeships being delivered by colleges and funded through their existing funds (either funded through SDS or their core Student Unit Measurement funding). There is, of course, no guarantee that such arrangements will continue. In some cases, this funding will be for the priority group of 16-19 year olds but as the marginal cost of taking on board a small number of people in the 20+ group may be limited for colleges they are sometimes open for negotiation on this.
- 5.24 We are not aware of any external funding designed to meet the actual employment costs of Modern Apprentices and this would generally not be considered appropriate given the employed status of Modern Apprenticeships.

Key Points

- There is a range of models for delivery of Modern Apprenticeships ranging from wholly internal to wholly external approaches with a range of intermediary or hybrid approaches also being apparent.
- In considering delivery options it is important that the full costs are identified and accounted for.
- External funding may be available in some instances but this will typically be limited in terms of candidates' ages and, on occasion, geographical criteria.
- The costs charged by Colleges and other providers can vary according to the other funding arrangements that they have in place and are a matter for negotiation between employer and provider.
- The resource inputs required for delivery of Modern Apprenticeships need to be considered in the light of the potential benefits of such investment.

6.0 OPPORTUNITIES FOR FURTHER DEVELOPMENT

- 6.1 We have set out a number of areas below for further consideration. These are aimed at ensuring that Modern Apprenticeship Frameworks can play an appropriate role in workforce development within NHS Scotland and that decisions on their application are informed ones. In other words, they are aimed at helping NHS Boards to decide if and how Modern Apprenticeship Frameworks should be used as part of their workforce development. The areas identified take account of the key findings set out in the report about the limited awareness of Modern Apprenticeships, misconceptions about what they are about and the current lack of evidence as to their return on investment. They reflect the need for a mix of funding streams (both internal and external) to effectively take forward Modern Apprenticeships in the context of the NHS in Scotland.
- 6.2 We have provided an outline for a possible “Guide to Modern Apprenticeships” in the Appendix and believe that this should be further developed and designed as an initial briefing paper for NHS Boards.
- 6.3 We do not believe that this on its own will be sufficient to address the lack of awareness and the misconceptions that exist about Modern Apprenticeships within the NHS. We therefore suggest that SDS / NES consider how they can best provide the information, advice and guidance required to encourage a more strategic approach to the use of Modern Apprenticeships to meet business needs. Clearly, the detail of such a service would require further consideration by NES / SDS.
- 6.4 Greater evidence of return on investment of Modern Apprenticeships within NHS Scotland is required to support the business cases for such investment within NHS Boards. This evidence could also consider the benefits of Modern Apprenticeships in comparison to other methods of meeting the business need (such as S/NVQs, external recruitment or process re-engineering). Demonstration projects would be a potential avenue to provide this evidence.
- 6.5 Related to this, we have noted that many local learning and development staff struggle to assess (and, in particular, to quantify) the benefits of their investment in Modern Apprenticeships and other training interventions; this is particularly important in areas accorded less prestige in the NHS such as Administration Services and Support Services. We believe that support in terms of measuring and articulating return on investment in training projects would be of benefit.

- 6.6 We have not considered product development opportunities in detail but note the views expressed by some consultees that current Modern Apprenticeships in Health and Social care are not specific enough for their needs. We would suggest that consideration be given to the development of a Modern Apprenticeship Framework around the new SVQs at Level 2 and 3 in Healthcare (existing Frameworks already being in place for Health and Social Care).
- 6.7 The resource pressures described herein should not only be addressed by effective targeting of resources and by seeking new funding streams but also by getting the most out of existing resources. We believe that there is scope for the various NHS Boards to consider how they can most effectively work together to deliver Modern Apprenticeships (and, indeed, S / NVQs). Joint working is already carried out by the NHS Vocational Learning and Qualifications (NHS VLQ) Network. It is suggested that this Network could be further supported to enable the sharing of resources in the administration and assessment areas as well as in the delivery of learning activities. Another possibility that could be explored is the identification of particular NHS Boards as lead centres of expertise and delivery in specific areas. In addition to the above, we have come across good practice within the project in relation to innovative and cost-effective forms of delivery (such as online learning and online assessment) and the potential of these to enable NHS employers to do “more with less” could be investigated further.

Appendices

- (a) Bibliography
- (b) Consultees
- (c) Outline of “A Guide to Modern Apprenticeships for NHS Scotland”
- (d) Modern Apprenticeship Frameworks Currently Available in Scotland (July 2010)

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ISD Scotland (www.isdscotland.org) – NHS Scotland Workforce Information, December 2009.

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Scottish Government (www.scotland.gov.uk) – overview of NHS Scotland, March 2010.

Skills Development Scotland – various website information on strategy, Modern Apprenticeships and contracting arrangements, March 2010.

Wikipedia (www.wikipedia.org) entry on “Apprenticeships”, May 2010.

B. CONSULTEES

Individual depth interviews were conducted with a total of 14 people from the following 10 organisations:

| Organisation |
|--|
| Ayrshire and Arran Health Board |
| Borders Health Board |
| Forth Valley Health Board |
| Golden Jubilee Hospital |
| Greater Glasgow and Clyde Health Board |
| Orkney Health Board |
| The State Hospital |
| Tayside Health Board |
| Western Isles Health Board |
| Motherwell College |

4 participants from the following three organisations took part in the Video Conference Stakeholder Workshop

| Organisation |
|---------------------|
| NHS Highland |
| NHS Orkney |
| NHS Western Isles |

34 individuals from the following 18 organisations took part in the Stakeholder Workshop.

| Organisation |
|-----------------------------------|
| Aberdeen Royal Infirmary |
| Asset Skills |
| City and Guilds |
| Health Facilities Scotland |
| NHS Ayrshire and Arran |
| NHS Education for Scotland |
| NHS Fife |
| NHS Grampian |
| NHS Greater Glasgow and Clyde |
| NHS Lanarkshire |
| NHS Lothian |
| NHS Tayside |
| Scotland's Colleges |
| Scottish Government |
| Scottish Qualifications Authority |
| Skills Development Scotland |
| Skills for Health |
| The State Hospital |

C. OUTLINE OF “A GUIDE TO MODERN APPRENTICESHIPS FOR NHS SCOTLAND”

Introduction

This short guide to Modern Apprenticeships is intended to provide course background to learning and development professionals within NHS Boards about Modern Apprenticeship Frameworks and their potential role in supporting workforce development within the NHS. The guide provides brief background to Modern Apprenticeships, how they work and their potential benefits and includes links to further sources of information. It summarises briefly the various models that can be applied and includes a checklist for calculating the costs and benefits of Modern Apprenticeships within the context of these models.

What are Modern Apprenticeships?

Modern Apprenticeships were developed in 1994 by employer-led partnerships between National Training Organisations (NTOs) and the then Local Enterprise Companies (LECs).

Modern Apprenticeship Frameworks are specific to each industry or sector. All such Frameworks consist of three elements:

- The occupational S / NVQs (usually at Level 2 or 3), which are central to every Modern Apprenticeship Framework.
- Core skills (communication, information technology, numeracy, problem solving, working with others).
- Additional components that vary from industry to industry. These can include additional units from other S / NVQs, industry-specific qualifications or academic qualifications such as Higher National Certificates and Diplomas.

Importantly, all the Modern Apprenticeship Frameworks are developed by the industry or sector in which they will be implemented and therefore encompass all the skills required for the particular role.

What Modern Apprenticeships are available?

A very large number of Modern Apprenticeships are available and many of these are of potential value to people within the NHS Scotland workforce. Some examples fall within clinical fields:

- Dental nursing

- Health and Social care
- Life Sciences

Others are more appropriate for non-clinical areas. For example:

- Business administration
- Engineering
- Hospitality
- Information and Communications Technology
- Management.

Skills for Health (the Sector Skills Council for Health) has estimated that more than 80 Modern Apprenticeship Frameworks could be relevant to the NHS. A full list of Modern Apprenticeship Frameworks is included at the Sector Skills Alliance website at:

www.sscalliance.org/ModernApprenticeshipsScotland/MAFramework.aspx

What does a Modern Apprenticeship Cover?

Modern Apprenticeship Frameworks are specific to each industry or sector. However, all such Frameworks consist of three elements:

- The occupational S / NVQs (usually at Level 2 or 3) are at the heart of every Modern Apprenticeship Framework.
- Core skills (communication, information technology, numeracy, problem solving, working with others) are included, recognising that these are needed for a flexible and productive workforce.
- Modern Apprenticeships can also contain additional components that vary from industry to industry; these can include additional units from other S / NVQs, industry-specific qualifications or academic qualifications such as Higher National Certificates and Diplomas.

The Modern Apprenticeship Frameworks for every current Modern Apprenticeship Framework in Scotland is available at the following address (simply click on the relevant Framework for further details including the full text of the Framework):

www.sscalliance.org/ModernApprenticeshipsScotland/MAFramework.aspx

Who can offer them?

Modern Apprenticeships may only be registered through organisations approved by the relevant Sector Skills Council to deliver the Modern Apprenticeship framework; such organisations are called Modern Apprenticeship Centres and may be the employer of the apprentice, or a learning organisation such as a training provider or Further Education college. To become a Modern Apprenticeship Centre organisations must make formal application to the relevant Sector Skills Council and will typically be approved by an appropriate Awarding Body as a centre for assessment of the relevant SVQ / NVQ within the Framework. Certain other requirements in terms of quality systems may also be set out.

How long does a Modern Apprenticeship last?

This depends on the particular Modern Apprenticeship but is typically around two years.

How do I find a Modern Apprenticeship provider?

The Sector Skills Council for each Modern Apprenticeship Framework maintains a list of those organisations approved to deliver it. The Sector Skills Council and its details are included within each of the Modern Apprenticeship Frameworks, which can be found at:

www.sscalliance.org/ModernApprenticeshipsScotland/MAFramework.aspx

When should we use Modern Apprenticeships?

Firstly, you need to consider what business benefits you are aiming to achieve by adopting a programme of Modern Apprenticeships. You can jot these down below as to aide memoire.

Business benefits we are seeking?

Examples could include:

- Seeking to address skills gaps, either now or in the future.
- Trying to improve productivity by investing in the person's training and development.
- Trying to improve the patient experience by doing the same.
- Seeking to support the redefinition of roles or a move to more flexible working.
- Trying to demonstrate how you have invested in your employees.

You then need to consider whether the application of Modern Apprenticeship Frameworks may be the most effective (and cost-effective) means of achieving your objectives. For example, could the same or better outcome be achieved by different strategies such as changing business processes (for example outsourcing), bringing in existing skills or outsourcing? It may also be that a programme of investment in S / NVQs, without the additional elements of the Modern Apprenticeship, may be the best route to take. Other alternatives could include recruitment in the open market of experienced staff, progression of other internal staff or perhaps even short-life training interventions; it really depends on the specific objectives.

It might help you to complete this initial template to consider the advantages and disadvantages of the various options to meet your business need:

| Approach | Advantages | Disadvantages |
|---|------------|---------------|
| Modern Apprenticeships | | |
| S / NVQs | | |
| Short-life training interventions | | |
| Recruitment of experienced staff externally | | |
| Recruitment of staff internally | | |
| Changing business processes | | |
| Other | | |

Some of the issues to think about with regard to these advantages and disadvantages are:

- Cost of training delivery
- Cost of employment
- Likely effectiveness
- Timescales
- Measurability
- Practicality

There are a number of areas where Modern Apprenticeships are most likely to be beneficial. For example:

- Where you are bringing in new employees, especially in the 16 to 19 age group.
- Where there is a recognised need to equip employees with the necessary core skills that pertain to a number of jobs.

Of course, you then need to consider the cost of investment and how this can be set against the possible benefits.

If it looks like Modern Apprenticeships may well be an element of the approach you are taking to meet a particular business need then you can move on to the next section to consider the costs and benefits of different approaches that you might take.

Delivery Models and Costs

The delivery models essentially fall within two extremes:

- The entirely **internal** model where the employer is the Modern Apprenticeship Centre.
- The entirely **external** model where the employer contracts with an external centre to deliver all aspects of the Modern Apprenticeship.

More commonly, **hybrid** models are delivered where some elements of the overall process are subcontracted externally.

The checklist below should help you to calculate the direct variable costs of your potential Modern Apprenticeship programme:

| Item | Costs (over the course of the programme) | Notes | Your Notes |
|--|--|---|------------|
| Assessment | | This would typically be at Band 5 in Agenda for Change pay scales. It could include the cost of hiring a new person for the duration of the programme, a share of their time or the cost of backfilling an assessor taken from other duties | |
| Assessors travel and administration cost | | | |
| Internal Verifier | | Typically at Agenda for Change Band 6; again, costs could be for whole post, part of post or cost of backfill | |
| Internal Verifier's travel and administration costs | | | |
| Candidate Registration with Sector Skills Council | | This will usually be a unit cost per candidate | |
| Candidate Registration with Awarding Body | | This will usually be a unit cost per candidate | |
| Candidate Registration for other elements of the Modern Apprenticeship Framework | | This will usually be a unit cost per candidate | |

Candidate Registration for Core Skills Group Awards

This will usually be a unit cost per candidate

Candidate materials

Direct cost of off-the-job training

This may be organised internally or externally, usually for a group of candidates

Candidate down time

This is that part of the Modern Apprentice's time that is not spent directly on productive work. It would include, for example, time taken in accumulating evidence of achievement, time spent in liaison with learning providers and time at specific off-the-job training. Of course, it is also fair to say that Modern Apprentices (or any trainee) may be less productive than trained staff during their period of training.

| | |
|----------------------------------|--|
| Total direct costs | |
| Total direct costs per candidate | |

There are also some “sunk costs” that you should try to gauge. These are typically the costs of staff and other resources already employed by the organisation. However, the use of these resources is not “free”; these resources have an opportunity cost as they could be deployed elsewhere. The checklist below highlights the main elements:

| Item | Costs (over the course of the programme) | Notes | Your Notes |
|-------------------------------|--|--|------------|
| Management time | | This would cover the recruitment and support of the Modern Apprentice as well as the time spent meeting with the Modern Apprentice and any internal or external learning providers. Some management time will be required, even when the main part of delivery of the Modern Apprenticeship is contracted out. | |
| Administration time | | This should estimate the staff time used in compiling and retaining records, liaising with external bodies and so on; it is likely to be higher when delivery is retained in-house. | |
| Resource use | | Modern Apprentices will typically make use of facilities such as office and meeting space as well as other materials. An estimate of these may be made to ensure that all possible costs of the Modern Apprenticeship are taken into account. | |
| Other | | There may be other sunk costs not covered above and full consideration should be given to what these may be. | |
| Total “sunk” or “fixed” costs | | | |

When you are contracting elements of the Modern Apprenticeship out to an external provider such as a college you should remember that some costs (e.g. direct training delivery, management time) will still apply and you can use the above checklists to ensure you have accounted for all relevant costs.

Even if you have the capability (or potential capability) to deliver your proposed Modern Apprenticeship programme in house you may find it appropriate to “test the market” by considering out of house provision for some or all elements of the process. The factors to be considered include:

- Availability of in-house resources
- Availability of out-of-house resources
- Quality considerations
- Practicalities of delivery.

What funding is available?

The main options that are available to fund investment in Modern Apprenticeships are:

- The mainstream training budgets of your Board / organisation.
- Skills Development Scotland, with whom you *may* be able to contract directly (details can be found at http://www.providercentral.org.uk/OurServices/NationalTrainingProgrammes/National_Training_Programmes.aspx).
- The European Social Fund, which is available in some areas (http://www.esf.gov.uk/introduction_to_esf/).

It may be that other organisations (such as colleges, training providers or other employers) are already funded to provide Modern Apprenticeships for the particular area you are interested in and details of these can be found from the various links set out elsewhere in this document.

Who can I contact for further information?

For further information about the context of this brief guide please contact:

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D. MODERN APPRENTICESHIP FRAMEWORKS CURRENTLY AVAILABLE IN SCOTLAND (JULY 2010)²⁰

Level 2 MA Frameworks

Agriculture (NOV 2009)
Business and Administration (NOV 2009)
Construction (Civil Engineering & Specialist Sector) (SEP 2009)
Creative (DEC 2009)
Customer Service (NOV 2009)
Extractive and Minerals Processing (DEC 2009)
Food Manufacture (SEP 2009)
Hairdressing and Barbering (NOV 2009)
Health and Social Care (SEP 2009)
Horticulture (NOV 2009)
Hospitality (JUL 2009)
Life Sciences (NOV 2009)
Providing Financial Services (NOV 2009)
Retail (NOV 2009)
Security Systems (JUN 2009)
Vehicle Body and Paint Operations (JUL 2009)
Vehicle Fitting (JUL 2009)
Vehicle Maintenance and Repair (JUL 2009)

Level 3 MA Frameworks

Accounting
Achieving Excellence in Sports Performance (Football)
Active Leisure and Learning (SEP 2009)
Advice and Guidance
Agriculture (NOV 2009)
Apparel, Footwear, Textiles and Associated Businesses
Aquaculture
Audio Visual Industries
Aviation
Beauty Therapy
Business Administration (DEC 2009)
Children's Care, Learning and Development (SEP 2009)
Construction (JUN 2009)
Construction (Craft Occupations) (SEP 2009)
Construction (Technical Occupations) (JUL 2009)
Contact Centres
Creative (DEC 2009)
Customer Service (JUL 2009)

²⁰ Source: www.sscalliance.org/ModernApprenticeshipsScotland/MAFramework.aspx

Dental Nursing (JUL 2009)
Driving Goods Vehicles
Electricity Industry
Electrotechnical Services
Engineering
Engineering Construction
Equine
Extractive and Minerals Processing (DEC 2009)
Food Manufacture
Gamekeeping and Wildlife Management
Gas Industry
Hairdressing and Barbering (NOV 2009)
Health and Social Care (SEP 2009)
Heating, Ventilation, Air Conditioning and Refrigeration
Horticulture (NOV 2009)
Hospitality (NOV 2009)
Housing Management
Information and Communication Technologies
IT User
Land-based Service Engineering
Learning and Development
Life Sciences (NOV 2009)
Management
Nail Services
Occupational Health and Safety Practice
Oil and Gas Extraction
Photo Imaging
Plumbing
Polymer Processing
Providing Financial Services (NOV 2009)
Retail
Security Systems (JUN 2009)
Spa Therapy
Storage and Warehousing
Supervisors in Vehicle Fitting Operations
Supply Chain Management
Traffic Office
Transport Engineering and Maintenance
Travel Services
Trees and Timber
Vehicle Body and Paint Operations
Vehicle Maintenance and Repair
Water Industries
Youth Work

Level 4 MA Frameworks

Children's Care, Learning and Development
Construction (Technical Occupations)
Health and Social Care
Management

Level 5 MA Frameworks

Construction (Technical Occupations)
Management