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Benchmarking Contracted Training Programmes in Northern Ireland

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Executive Summary

This research by the National Institute for Economic & Social Research (NIESR) was commissioned by the Northern Ireland Department for the Economy (DfE, NI) in response to one of the recommendations made by the Northern Ireland Audit Office (NIAO) in their 2016 report: [Contracted Training Programmes](#) (NIAO, 2016).

The NIAO recommendation was that DfE NI “continue to seek opportunities to benchmark the performance of its training programmes” and that “the results of this benchmarking should be published”.

Specifically, the recommendation was to research the potential for benchmarking the performance of Training for Success 2013 (TfS 2013) and Apprenticeships NI 2013 (at levels 2 and level 3) against programmes that provide a similar role in the other jurisdictions of the UK and the Republic of Ireland (RoI). TfS 2013 and Apprenticeships NI 2013 were recruiting learners between 2013/14 and 2016/17. The report relates to benchmarking performance of TfS 2013 and Apprenticeships NI 2013 for learners recruited in the period. It does not relate to the new programmes that were introduced to replace them in 2017/18 and as such we focus on training programmes that ran in the other jurisdictions between 2013 and 2017 rather than any changes to these programmes that have subsequently been made. However, we make recommendations for the new training programmes in NI building on the benchmarking research that we undertook for TfS 2013 and Apprenticeships NI 2013.

Benchmarking is a system by which organisations can assess their performance in some activity by making comparisons with the performance of a similar activity undertaken by other organisations. Benchmarking can provide a tool for measuring, analysing and comparing the organisation’s performance to determine where improvements could be made and, particularly in public services, for prompting conversations about the sharing of best practice.

Benchmarking has significant challenges. The literature on benchmarking, see for example Leibfried & McNair (1992) and Kyro (2003), highlights two challenges that are particularly relevant in the context of this research:

1. Differences between the activities undertaken in the ‘home’ and comparator organisations or units can make it challenging to identify which activities can genuinely be considered similar enough to provide effective benchmarks
2. This challenge is compounded by the fact that different organisations can operate in different environments and can prioritise different success measures in their accountability frameworks. The priority afforded to each success measure can have a significant impact on the outcome of the performance measure.

In undertaking this research every effort has been made to find commonalities between jurisdictions in terms of their training programmes and the measures used

to assess performance. This has proven to be particularly challenging due to the devolved nature of education policy, despite their shared origins and the continued relationship between the relevant departments.

Specifically, the respective roles provided by the employability fund in Scotland and Traineeships in RoI are too different to the roles provided by TfS 2013 for effective benchmarking. The Employability Fund (EF) in Scotland extends beyond individuals without a contract of employment to people who work less than 16 hours per week and traineeships in RoI are only available in industries which have identified a skills gap and have collaborated with the government to develop a traineeships programme. Similarly, the role provided by apprenticeships in RoI is too different from the role provided by Apprenticeships NI 2013 for effective benchmarking. This finding relates to differences between the industry sector mix and the fact that a national apprenticeship programme is a combination of apprenticeship frameworks which have a similar structure but provide a very different role for each industry sector in which they are undertaken.

In the case of the training programmes in England and Wales, and apprenticeships in England, Scotland and Wales the focus of performance management is very different from the focus of performance management in NI. As such, the incentive structures driving provider behaviour are very different and policy makers are unlikely to be successful in distinguishing between differences in performance that derive from the incentive structures and differences that genuinely derive from the programme in one jurisdiction being better than the programme in other jurisdictions.

Worse than not being able to draw conclusions about effective ways to improve performance, there is a risk that any benchmarking activity undertaken using the current programmes and accountability frameworks could lead to policy changes that were detrimental to performance, because of insufficient attention being paid to the contextual differences, for example, by stakeholders with particular interests.

The conclusion of the author is therefore that there is currently no scope to effectively benchmark TfS 2013 and Apprenticeships NI 2013 and this will continue to be the case unless there are major policy initiatives to more closely align the programmes in the respective jurisdictions. Since the devolution of education policy, the design of programmes will have diverged to meet the different needs of each jurisdiction. Aligning policy to facilitate benchmarking is not recommended because it would compete with the objective of making the programmes fit the purposes of each jurisdiction.

However, in looking at the various measures used by the selected jurisdictions, the research has identified some performance measures not currently used by DfE NI, which have potential to enhance the performance management of the reformed programmes which replaced TfS 2013 and Apprenticeships NI 2013 in 2017/18. The author recommends that DfE NI seek opportunities to develop these measures:

- Firstly, DfE NI should seek opportunities to develop a success rate that uses the hybrid method for constructing the denominator of the rate. This method allows the performance of providers to be assessed earlier than the current success rate method used for the provider level targets. This is because the

current success rate used for the provider level targets are based on all people who start in a financial year and, for learners starting 2 year programmes towards the end of the year, it can take almost 3 years for them to complete and for their outcome to be included in the rate.

- Secondly, DfE NI should seek opportunities to undertake a programme of research to develop a Benefits Realisation index for their apprenticeships programmes to compare the economic benefit accrued from each cohort of apprentices compared to previous cohorts. This approach has been developed in England through an extensive programme of research and would involve a series of challenges. However, building on the lessons learned in England it may be achievable. The first and most significant challenge in the process undertaken in England was obtaining the legal basis for matching Apprenticeship administrative data with data on benefits, employment and earnings from the Department for Work and Pensions (DWP) and Her Majesty's Revenue and Customs (HMRC). The recommended first step is for DfE NI to engage with counterparts in the Department for Education in England to learn lessons from the process they have undertaken over the last 6 years, and from their ongoing development of the approach.

It is the author's view that implementing these two recommendations would offer greater potential for driving continuous improvements in training and apprenticeship programmes in NI than continuing to seek other opportunities for benchmarking.

1 Introduction

Background to the research

This research by the National Institute for Economic & Social Research (NIESR) was commissioned by the Northern Ireland Department for the Economy (DfE, NI) in response to one of the recommendations made by the Northern Ireland Audit Office (NIAO) in their 2016 report: [Contracted Training Programmes](#) (NIAO, 2016). The NIAO recommendation was that DfE NI “continue to seek opportunities to benchmark the performance of its training programmes” and that “the results of this benchmarking should be published”.

Introduction to benchmarking in general

Benchmarking is a system by which organisations or units can assess their performance in some activity by comparing it with the performance of a similar activity undertaken by other individuals, organisations or areas. It provides a tool for measuring, analysing and comparing the organisation’s or unit’s performance to determine where improvements in the activity in focus could be made and, particularly in public services, for prompting conversations about the sharing of best practice.

Benchmarking has significant challenges. The literature on benchmarking, see for example Leibfried & McNair (1992) and Kyro (2003), outlines two challenges that are particularly relevant in the context of this research:

1. Differences between the activities undertaken in the home and comparator organisations or units can make it challenging to identify which activities can genuinely be considered similar enough to provide effective benchmarks.
2. This challenge is compounded by the fact that different organisations can operate in different environments and can prioritise different success measures in their accountability frameworks. The priority afforded to each success measure can have a significant impact on the outcome of the performance measure.

As such, benchmarking will be useful for prompting conversations about sharing best practice, only if it can be shown, using data or other intelligence, that activities undertaken by some other individuals, organisations or areas can genuinely be considered similar and operate with similar performance measures and similar external conditions.

Background to the benchmarking commissioned by DfE NI

NIESR was commissioned to explore opportunities for benchmarking within the following parameters.

- The activity in focus is the training provided by DfE, NI through the Training for Success 2013 (TfS 2013) programme at Entry Level to Level 3 and the Apprenticeships NI 2013 programme at Levels 2 and 3.

- The other units in focus are the jurisdictions of England, Scotland, Wales and RoI and, where they exist, the programmes they provide which have a similar role to TfS 2013 and Apprenticeships NI 2013
- The performance measures in scope are uptake; retention, achievement and success rates and progression rate. (See the start of chapter 3 for definitions and a discussion of these performance measures.)

Structure of Report

Within the overall aim, this research has five objectives (see Appendix 2). Following this introductory section, the five objectives are covered in five separate chapters:

- Chapter 2 addresses objective 1: to explore the programme design of TfS 2013 and Apprenticeships NI 2013, and identify programmes in England, Scotland, Wales and RoI, which provide a similar role.
- Chapter 3 addresses objective 3: to identify the main factors likely to influence performance of the programmes identified.
- Chapter 4 addresses objective 2: to investigate the performance measures currently used by each jurisdiction to track success in these identified programmes (in terms of uptake, retention achievement / success, and progression).
- Chapter 5 addresses objective 4: to conduct quantitative benchmarking of programme performance in NI against England, Scotland, Wales and RoI¹. after taking account of variations in programme design, performance measure methodologies and influential factors (i.e. sections 2 to 4)
- Chapter 6 addresses objective 5: to recommend the way forward for benchmarking vocational training and apprenticeship programmes in NI¹.

¹ Chapters 5 and 6 deviate from the original objectives. Chapter 5 explains why it is not possible to effectively benchmark performance across jurisdictions, building on the measures of performance currently used. Chapter 6 makes recommendations for other approaches for improving performance in Training and Apprenticeship programmes in NI.

2 Training and Apprenticeship Programmes in Northern Ireland (NI) and other Selected Jurisdictions

This chapter describes the Training for Success 2013 (TfS 2013) and Apprenticeships NI 2013 programmes followed by a description of programmes in England, Scotland, Wales and the RoI and the extent to which they are similar with TfS 2013 and Apprenticeships NI 2013.

Sections 2.1 & 2.2 focus on programmes that might allow for benchmarking of TfS 2013. Section 2.3 & 2.4 then focus on the programmes that might allow for benchmarking Apprenticeships NI 2013.

Two summary tables are also included:

- Table 2.1: Key Features of TfS 2013 and training programmes with similarities in the selected jurisdictions.
- Table 2.2: Key Features of Apprenticeships in Selected Jurisdictions.

The chapter then draws conclusions about which programmes should be excluded from the benchmarking because they do not meet the first criterion outlined in chapter 1, that activities must genuinely be considered similar.

2.1 Training in Selected Jurisdictions

2.1.1 Training for Success 2013 in NI

The TfS 2013 programme is aimed at young people aged 16 or 17 without a contract of employment and has the aim of making them ready for an apprenticeship, other employment or higher level learning. Eligibility is extended to age 22 for young people with a disability and to age 24 for young people from a care background. People who have previously taken part in TfS 2013 but did not complete their programme may be eligible to re-join the programme to complete their training entitlement.

Participants agree a Personal Training Plan (PTP) with their training provider outlining their target outcome (qualifications), progression routes and associated milestones. Based on the initial provider assessment underpinning the PTP, participants can undertake programmes at one of four levels: Skills for Your Life, which is an entry level programme and Skills for Work at levels 1, 2 or 3.

There is a common training curriculum across all levels, covering four key areas:

1. Professional and Technical qualifications;
2. Personal and Social Development;
3. Employability Skills and;
4. Essential Skills.

Essential skills can include communication, application of number and ICT, where the need for improvement in these areas is identified.

Participants at all levels receive job experience or job sampling based on their needs and may have the opportunity to experience different workplaces to help them decide which type of work suits them best. Suppliers are required to ensure that participants spend a minimum of 40% of their time on the programme in directed training and a maximum of 60% of their time in a work placement.

TfS 2013 participants receive a package of financial support. Participants receive a non-means tested Educational Maintenance Allowance (EMA) of £40 per week, which does not affect the benefits received by participants or their parents. There is additional eligibility for participant bonuses at various stages of their training. Travel, lodgings and childcare allowances may also be paid depending on individual circumstances.

2.1.2 England

In England, the programme which provides a role with the most similarities to the role of TfS 2013 is called a “study programme with work experience as the core aim”. All students with an academic age² 16 to 18 in England are funded for an individual study programme. The core aim can be an academic or vocational qualification (such as A-Levels or BTECs) or work experience.

There are three models for including work experience within a study programme:

1. Study programmes with work experience as their core aim which use the Traineeship delivery model (see below). Subsequently referred to as traineeships.
2. Study programmes with work experience as their core aim which do not use the traineeship delivery model. Subsequently referred to as ‘other study programmes with work experience as their core aim’.
3. Study programmes with academic or vocational qualifications as the main aim and work experience as a secondary aim.

The traineeship delivery model requires the work experience to be delivered in a real workplace alongside other paid employees. In contrast, ‘other study programmes with work experience as their core aim’, can deliver the work experience in a simulated work environment attached to the learning provider, e.g. a workshop, college hairdressing salon or restaurant, or on a college farm. Study programmes with academic or vocational qualifications as the main aim and work experience as a secondary aim can deliver the work experience using either option but this will typically be a very small element of the programme compared to the programmes with work experience as their core aim and as such the programmes because they are delivered along-side substantive academic qualification. As such these programmes will be very different to TfS 2013 and in the remainder of the document we focus on the first two options, referring to them respectively as traineeships and other study programmes with work experience as their core aim.

² Academic age is the age of the learner at the start of the academic year.

Traineeships are targeted at young people assessed as being within 6 months of securing an apprenticeship or employment and both traineeships and other study programmes with work experience as their core aim are aimed at young people qualified below level 3 and are available at entry level to level 2. Outside of the work experience component, the curriculum of Traineeships and other study programmes with work experience as a core aim has similar training components to TfS 2013.

2.1.3 Scotland

There are some similarities between TfS 2013 and the [Employability Fund \(EF\) in Scotland](#) (Scottish Government 2017a). Eligibility for EF includes learners who have been assessed as requiring interventions at stages 2 to 4 of the Strategic Skills Pipeline (SSP). Stages 2 to 4 of the SSP are equivalent to levels 3 to 5 of the Scottish Qualifications and Curriculum Framework (SQCF), which are broadly equivalent to entry level to Level 2 in NI, Wales and England. As with the similar programmes in other jurisdictions, stage 2 (equivalent to entry level) is for learners not considered to be work ready. The EF curriculum has similar training components to TfS 2013

Overall, despite these similarities, the programme provides a fundamentally different role to TfS 2013. Most importantly, while eligibility includes those who are not employed it also extends to people who work less than 16 hours per week or are within 13 weeks of being made redundant.

In addition, although work experience is mandatory alongside qualifications in stages 2 and 3, it is optional depending on needs for learner's at stage 4. In addition, further work experience is defined relatively broadly under EF to include: work placement; work shadowing; work tasters and volunteering.

Finally, under EF, provider funding is structured more around job outcomes as opposed to recruitment and qualification achievement, which is the focus of similar programmes in other jurisdictions. For some learners, more than 50% of the funding is based on achievement and progression into work (measured 6 and 24 weeks following completion with a separate payment associated with both measurement points). Recruitment attracts around £1,000 of funding but achievement and progression can attract up to £1,850.

2.1.4 Wales

In Wales, the programme with a role that is closest to the role of TfS 2013 is the Traineeship Programme. Traineeships are available between entry level and level 2.

The major difference between this programme and TfS 2013 is that before learners can start a level 2 programme, learners themselves need to have 'identified an employer who is potentially willing to give them a job' once they have completed the programme.

There are additional minor differences between this programme and TfS 2013 at entry level and level 1. For programmes at these levels, work experience can include community volunteering as well as more formal work experience and, accordingly, further voluntary work is also included as a positive outcome in the progression rate

performance measure published in Wales. As with England and Scotland, the curriculum has similar components to TfS 2013.

It should be noted that the programme in Wales has evolved since 2015/16 so although the details above are appropriate in the context of exploring the benchmarking of TfS 2013, some of the details are no longer accurate. Further information is available on line. (Welsh government 2018)

2.1.5 Republic of Ireland (RoI)

Traineeships in the RoI are industry specific and are developed when a skills need is identified within that industry. As such, as well as aiming to improve employment outcomes for participants, they also aim to improve recruitment, retention and productivity within the industry. Successful participants receive an award or industry certification at Levels 4 to 6 on the National Framework of Qualifications (equivalent to levels 1 to 3 in NI).

A traineeship programme typically lasts 40 weeks and begins with a continuous period of learning at a training provider. The work experience element begins during this period or after its completion. Typically, the work placement is at least 30% of the training programme.

In 2014, SOLAS (English translation: Continuing Education and Skills Service) in partnership with Education and Training Boards, developed a checklist of occupational skills requirements for each participating industry and learners need to demonstrate proficiency in these skills to achieve the programme. In addition, SOLAS introduced a training programme for workplace supervisors to develop the skills needed to deliver on-the-job learning for traineeship participants.

Traineeships in RoI therefore provide a much narrower role in terms of industry coverage and a much deeper role in terms of skills progression. Due to this fundamental difference between the remit of the programmes and in line with the benchmarking literature summarised in the introduction, traineeships in RoI is not considered to be an appropriate benchmark for TfS 2013.

2.2 Summary

The first part of Chapter 2 considered the training programmes available in the selected jurisdictions which were similar with Training for Success 2013 in terms of their broad specification. Further consideration of more detailed elements found that some of the programmes found that some of the programmes were also similar at a more detailed level where as others had some fundamental differences with TfS 2013.

There were further similarities with TfS 2013 in the role provided by Traineeships and other Study Programmes with work experience as the core aim in England and the role provided by Traineeships in Wales:

- Traineeships and other Study Programmes with work experience as their core aim in England provide a genuinely similar role to TFS 2013. Firstly, the programme is aimed only at people without a contract of employment and has

a similar duration and curriculum to TfS 2013. As with TfS 2013, it can be undertaken in any industry sector where an employer chooses to offer a work placement, and, if there are insufficient places to meet demand, the work experience can be undertaken in a simulated work environment such as a College restaurant or workshop.

- Traineeships in Wales provide a genuinely similar role to TfS 2013 at entry level and level 1. Firstly, the programme is aimed only at people without a contract of employment and has a similar duration and curriculum to TfS 2013. As with TfS 2013, Traineeships in Wales can be undertaken in any industry sector where an employer chooses to offer a work placement, and, if there are insufficient places to meet demand, the work experience can be undertaken in a simulated work environment such as a College restaurant or workshop or, for entry level programmes, by volunteering.

The first part of Chapter 2 concludes that TfS 2013, Study programme with work experience as a core aim and Traineeships in Wales (entry and level 1 only) provide similar roles and as such satisfy our first criterion for benchmarking that the programmes can genuinely be seen to provide a broadly similar role.. The programmes are therefore considered further in the next chapter which looks at the main factors with potential to affect performance.

In contrast, for the Employability Fund in Scotland and Traineeships in Rol, some fundamental differences with TfS 2013 were identified. The first part of Chapter 2 concludes that the roles provided by these programmes are not sufficiently similar for benchmarking TfS 2013.

- Using the Employability Fund in Scotland to benchmark TfS 2013 is not feasible because the programmes provide very different roles. The Employability Fund (EF) in Scotland extends beyond individuals without a contract of employment to people who work less than 16 hours per week or are within 13 weeks of being made redundant. The EF therefore provides a much wider role in Scotland than TfS 2013 provided in NI. The programme therefore fails to meet our first benchmarking criterion of providing a broadly similar role and is not an appropriate benchmark for TfS 2013.
- Using Traineeships in Rol to benchmark TfS 2013 is not feasible because the programmes provide very different roles. Traineeships in Rol are only available where an industry has identified a skills gap and collaborated with the government to create a traineeship programme to fill the gap. In addition, there is an end point assessment where learners must demonstrate they have reached a threshold level of competence in a list of skills related to the industry in which the traineeship was undertaken, Traineeships in Rol therefore provide a much narrower role in terms of industry coverage and a much deeper role in terms of skills progression. Due to this fundamental difference between the remit of the programmes, and in line with the benchmarking literature summarised in the introduction, traineeships in Rol is not considered to an appropriate benchmark for TfS 2013.

As such, these programmes do not meet the first of our criteria for benchmarking as they do not provide genuinely similar roles. In the next chapter, they are not considered against our second benchmarking criteria, whether there are differences in external factors and accountability framework

Table 2.1 Key Features of TfS 2013 and Programmes with similarities in the selected jurisdictions

	NI	England	Scotland	Wales	Republic of Ireland
Programme Name(s)	Training for Success (TfS)	‘Traineeships and other Study programmes with work experience as their core aim’	Employability Fund	Traineeships	Traineeships
Age eligibility	Mainly 16-17, older for some individuals	16-18	All ages	Typically ,16-17, some 18	15-25, mainly 15-20
Employment status eligibility	Not employed	Not employed	Not employed or Employed for less than 16 hrs. p/w, or facing redundancy	Not employed (entry and L1); at Level 2 must themselves have identified a firm potentially willing to employ them following completion	Information not available
Levels	Entry level to L2 (with limited facility to work towards some L3 units)	Entry level to L2	Learning stage 2-4, SQCF 3-5, equivalent to entry level to L2 in NI (X2.1)	Entry level to L2	L4 to 6 on the NFQ, roughly equivalent to L1-3 in NI (X2.2)
Qualifications and training	Employability skills, Personal and Social Development; Professional and Technical qualifications and essential skills (can include communication, application of number and ICT where need identified)	Employability skills; GCSE in Maths and English (where needed), optional to take a vocational qualifications a secondary aim	Employability skills, core skills; vocational qualification	Employability skills, English and Maths skills; vocational qualification	Information not available
Types of work placement	Work experience in firms alongside other paid employees or simulated work environments	Work experience in firms alongside other paid employees or simulated work environments	Work placements: work shadowing, work tasters or volunteering - optional at level 2 depending on need	Volunteering or work experience at entry level; work experience (level 1); L2 requires formal employment	Block release with employers in sectors with identified skills needs (at least 30% work placement)

	NI	England	Scotland	Wales	Republic of Ireland
Time to complete	Up to 104 weeks (156 with a disability); At least 40% in directed training	Traineeships last between 6 weeks and 6 months. Other study programmes with work experience as a core aim last up to 52 weeks	Up to 26 weeks (maximum 240 hours on-the-job)	Information not available	40 weeks
Demand mechanism	Learner need	Learner need	Learner need	Learner need	Skills need identified by specific industry
Formal On-the-job Assessment of vocational competence	No formal assessment of work placement	No formal assessment of work placement activity	No formal assessment of work placement	No formal assessment of work placement	Industry specific Skills checklist
Target Outcomes	Achievement of targeted qualifications and Progression to Apprenticeship, sustainable job or higher level learning	Achievement of targeted qualifications and Progression to Apprenticeship, sustainable job or higher level learning within 6 months	Achievement of targeted qualifications and Progression to Apprenticeship, sustainable job or higher level learning	Achievement of targeted qualifications and Progression to Apprenticeship, sustainable job, higher level learning or voluntary work	Information not available
Financial Support	Non Means Tested EMA of £40 per week; participation bonus and travel and subsistence (discretionary)	At training provider discretion, usually for travel and subsistence	Travel and subsistence, where needed	£50 per week on level 1 and level 2, £30 per week entry level. Additional funding is available for additional learning needs and travel	Information not available
Outcome based funding?	Partial - linked to the achievement of qualifications.	20% reserved for sustained progression	Up to: 55% linked to sustained employment (; 10% learning at a higher level	Information not available	Information not available

2.3 Apprenticeships in Selected Jurisdictions

2.3.1 Apprenticeships NI 2013 in Northern Ireland

ApprenticeshipsNI 2013 is a package of qualifications along with a contract of employment for 21 or more hours per week. Pay levels are guided by the (UK) National Minimum Wage rate for apprentices. Apprentices can be either a new employee or an existing employee in a new job role. Training is delivered through a mixture of on and off the job training. The qualification elements are delivered by a training provider (typically) on a day release basis, usually for one day per week.

Some apprenticeships have minimum entry requirements in terms of GCSE achievement. Around 10% of all level 2 and level 3 apprentices enroll on the joint programme (known as “2 en route to 3”, where level 3 is the targeted outcome but level 2 is achieved before scheduled progression to level 3). It usually takes up to two years to complete one level and up to four years to finish both levels.

The package of qualifications typically includes, a competence (an NVQ) and a knowledge based qualification appropriate to the framework being undertaken and, unless previous qualifications lead to an exemption, Essential Skills qualifications. Essential Skills studied can include application of number, communication and ICT.

From August 2012, apprenticeship funding for people aged 25+ has been focused on the economic sectors judged to be a priority for rebalancing the NI economy. The selection of the priority sectors was informed by consultation with the NI Commissioner for the United Kingdom Commission for Employment and Skills (UKCES). This sectoral focus has evolved over time. Prior to 2011, 100% funding was available for all age groups, this was reduced to 50% funding for people aged 25+ in 2011 and 50% in priority economic sectors for people aged 25+ in 2012. There are six funding bands which vary by occupational area and age depending on training resource requirements.

2.3.2 England

As with the other jurisdictions, apprentices in England require a contract of employment for a minimum of 16 hours per week but most apprentices are employed full time. Similar to the programme in NI, the formal qualifications are delivered by a training provider on a day release basis, usually for one day per week. The curriculum has similar components to Apprenticeships NI 2013, although there is presumption in favor of Mathematics and/or English GCSE, as opposed to other numeracy and literacy options, if the learner has not achieved a grade C in these subjects prior to participation. Level 2 programmes are typically shorter in England compared to NI. In 2013, the Specification of Apprenticeship Standards for England (SASE) set the minimum programme duration at 12 months for a recognised English apprenticeship framework and from 2014/15 the Institute of Apprenticeships has published expected duration by level and industry sector.

Since 2016, the Department for Education, England (DfE, England) has implemented a complex transition of their Apprenticeship programme with the objective of creating an employer-led approach. One benefit of the transition is to address asymmetries in the process that matches learners to courses, providers and awarding organizations, as previously, employers had limited levers to influence this process. Key elements

of the transition have been the move from apprenticeship frameworks to apprenticeship standards and their approach to implementing the [UK wide Apprenticeship Levy](#). This report focusses on frameworks because standards were introduced towards the end of the period of operation of Apprenticeships NI 2013. Apprenticeship standards are largely developed by employers and relevant industry sector bodies. Employers with wage bills exceeding £3 million pay a 0.5% apprenticeship levy on all wage costs above £3 million. This has been implemented in England using a digital account to give levy paying employers control over how their levy contribution is spent. They can top up their levy if their apprenticeship training requirements exceed what the levy can purchase and/or transfer their contribution to other employers in their supply chain. Non levy paying employers can now claim 90% of their apprenticeship training costs from central government who may, in future, part fund this using levy contributions that remains unspent after 2 years.

There was previously a Grant for Small and Medium Sized (SME) employers (less than 250 employees) in England, of around £1,500, but this scheme ended in the 2017/18 academic year.

2.3.3 Scotland

Modern Apprenticeships Training packages in Scotland offer participants in paid employment the opportunity to develop and learn new skills at craft, technician and management levels. As such they require a contract of employment. The respective time allocated to on and off the job training varies between sectors. The policy is most places should be allocated to young people aged 16-24 across all sectors with 16-19 year olds the focus. Priority should be given to higher level frameworks SCQF6 and above and to those in STEM (Science, Technology, Engineering and Math) occupations. This focus was implemented in response to industry increased focus on the offer of Modern Apprenticeship opportunities to those aged 25+ in key and supporting sectors. Although the mechanism is less targeted than in NI, priority is therefore given to providing apprenticeships for people aged 16-24.

In other respects, including the curriculum composition and the requirement for apprentices to be new employees or existing employees in a new role, the Scottish Apprenticeship programme is broadly similar to the programme in NI.

2.3.4 Wales

As with the other jurisdictions considered so far, apprentices in Wales require a contract of employment. In contrast with the programmes in England and NI but similar to Scotland, time allocation between on and off the job training varies between sectors. This point is separate to points about minimum hours of employment per week because the job training time is still subject to the national minimum wage. Until 2014/15, apprentices were required to be new employees or existing employees in a new role but this no longer applied from 2015/16 (Welsh government, 2018). The curriculum in Wales and NI are similar but in Wales there is an option to undertake a course in digital literacy. (Welsh government, 2018).

A key difference to the programme in NI is the greater focus on recruiting apprentices aged 16-19. There are two mechanisms by which this age group receives priority in Wales. Firstly, they can be an existing employee. Secondly, the

Apprenticeship Employer Incentive Programme offers a payment of between £2,500 and £3,500 for each learner, up to a maximum of 3, for SMEs who are new to apprenticeships or have not recruited an apprentice in the last 30 months.

2.3.5 Republic of Ireland (RoI)

As with the other jurisdictions, apprentices in RoI require a contract of employment. Unlike the other jurisdictions, in which apprenticeships are available for most industries, the apprenticeship programme in RoI has until recently retained its focus on around 10 sectors which are traditionally associated with apprenticeships, such as construction and electro-technical engineering.

In RoI, an apprenticeship is split into distinct phases alternating between work at the employer and dedicated study at an Institute of Technology (IoT); as summarised in figure 2.1. There is a recommended wage for periods of work, not legally binding, which typically increases over the life of the programme, and a training allowance while in an IoT phase. The training allowance is set in relation to gross wage norms which vary between €200 and €700 per week depending on industry and phase. However, unlike the programmes in the UK, a student fee contribution is levied in the later stages of the apprenticeship, typically stages 4 and 5 which start in the second year of the apprenticeship or later.

Figure 2.1 Phases for on-the-job and off-the-job Training in RoI Apprenticeships

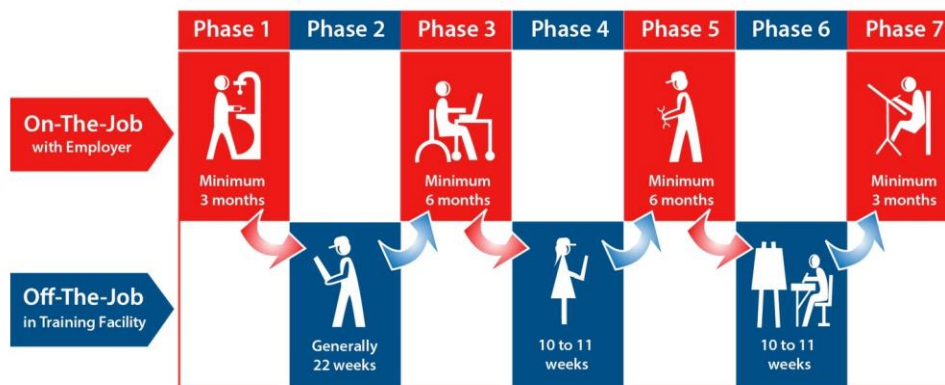


Table 2.2 Key Features of Apprenticeship in Selected Jurisdictions

	NI	England ¹	Scotland	Wales	Rol
Levels	L2 and L3	Use same level equivalences as NI	SCQF 5 and 6, equivalent to L2, and L3 in NI (X2.1)	Use same level equivalences as NI	L5 and L6 on the NFQ, roughly equivalent to NVQ L2 and L3 (X2.2)
On / off job ratio	80:20, day release	80:20, day release	Varies by framework	Varies by framework	Block release in phases, see figure 2.1
New Job / role	Yes	Can be	Yes	No (16-18); Yes 19+	Information not available
Age or Sector focus	Focus on 16-24 year olds, 25+ reduced support focused in priority economic sectors	All ages	Focus on 16 – 24 and an increased number of frameworks open to 25+.	All age, but engaging 16-19 years is associated with a large funding incentive.	Historical focus on traditional apprenticeships sectors, focus now expanding
Minimum wage level	UK Apprenticeships MW (on and off job)	UK Apprenticeships MW (on and off job)	UK Apprenticeships MW (on and off job)	UK Apprenticeships MW (on and off job)	Guidelines only (on-job); training allowance (off-job)
Length to complete	2 years for Level 2 and 4 years for Levels 2 and 3 combined	Minimum of 12 months for level 2. Usually between 1 and 3 years for Level 3	Information not available	Information not available	Information not available
Outcome based funding	Released in stages: training plan completion, progress towards qualifications (milestones) and apprenticeship framework achievement.	20% reserved for framework achievement	Information not available	Information not available	Information not available
End-point assessment	Not mandatory	Yes	Not mandatory	Not mandatory	Information not available
Targets	None. KPIs focus on retention, achievement of targeted qualifications, quality and compliance with contractual requirements.	3 million starts by 2020 (will continue under new Levy system although target introduced before the levy system.)	30,000 starts per annum by 2020.	100,000 Apprenticeships during this administration.	Information not available

	NI	England¹	Scotland	Wales	Rol
Funding Level	16-24 year olds, 100% off-the-job training funded by the Department. 25 years and over, 50% off-the-job training funded by the Department in priority sectors.	Levy-payers- can use funds to pay 100% of training costs until their funds are exhausted. Then they move to co-investment. For non-levy payers Government pays 90% and employers pay 10% co-investment	Contribution towards cost of training, funding levels dependent on age and framework.	Activity Based Funding model, which funds the cost of the activity with uplifts by sector, language etc.	Information not available

¹ Refers to the apprenticeship system in operation prior to the 2017 reforms. Also refers to frameworks rather than standards because standards were introduced towards the end of the period of operation of Apprenticeships NI 2013

2.4 Summary

Section 2.3 considered the apprenticeship programmes available in the selected jurisdictions.

Similarities in the apprenticeship programmes in England, Scotland and Wales suggest they provide a similar role to Apprenticeships NI 2013 for certain age groups.

- Apprenticeships in England provide a role similar to Apprenticeships NI 2013 for people aged 16-24. Between 2013/14 and 2016/17 there are few effective restrictions in terms of age and sectoral availability for the apprenticeship programme in England whereas in NI the funding for people aged 25+ is focused on certain sectors. As such the sectoral mix of the programme for people aged 25+ will be very different and therefore the programme in NI and England provide a different role from the perspective of employers. In other respects, including the curriculum composition and the requirement for apprentices to be new employees or existing employees in a new role, the English and NI apprenticeship programmes are broadly similar for people aged 16-24.
- Apprenticeships in Scotland provide a role similar to Apprenticeships NI 2013 for people aged 16-24. The Apprenticeships programme in Scotland gives priority to providing apprenticeships for people aged 16-24 through funding rules (although people of all ages retain some potential to access the full range of Scottish apprenticeship sectors) whereas priority in NI is given to this age group by focusing funding on specific industry sectors rather than the full range of sectors available to people aged under 25. The sectoral mix of the programme for people aged 25+ will be very different in NI and Scotland and as such the programmes provide a different role from the perspective of employers. In other respects, including the curriculum composition and the requirement for apprentices to be new employees or existing employees in a new role, the Scottish and NI Apprenticeship programmes are broadly similar for people aged 16-24.
- Apprenticeships in Wales provide a role similar to Apprenticeships NI 2013 for people aged 16-18. A key difference to the programme in NI is the greater focus in Wales on recruiting apprentices with academic age 16-18. The sectoral mix of the programme for people aged 19+ will be very different and as such the programme provides a different role from the perspective of employers. In other respects, including the curriculum composition and the requirement for apprentices to be new employees or existing employees in a new role, the Welsh and NI Apprenticeship programmes are broadly similar to for people aged 16-18

As such, the second part of Chapter 2 concludes that the roles provided by these programmes and the role provided by Apprenticeships NI 2013 are broadly similar for selected age groups. For selected age groups these programmes therefore satisfy the first of the above criteria for benchmarking, that the programmes can genuinely be considered to provide a broadly similar role to Apprenticeships NI 2013.

For RoI, there are some more fundamental differences with the programme in NI.

- Using Apprenticeships in RoI to Benchmark Apprenticeships NI 2013 is not feasible because the programmes provide very different roles. Unlike the other jurisdictions, in which apprenticeships are available for most industries, the apprenticeship programme in RoI has until recently retained its focus on around 10 sectors which are traditionally associated with apprenticeships, such as construction and electro-technical engineering. The sectoral mix of the programme in NI and RoI will be very different and as such the programme will provide a very different role from the perspective of employers.

As such, the programme in RoI does not meet the first of our criteria for benchmarking as they do not provide genuinely similar roles. In the next chapter it is not considered against our second benchmarking criteria, whether there are differences in external factors and accountability frameworks.

3 Main Factors with Potential to Influence Performance

3.1 Introduction

This chapter draws on the benchmarking literature to provide a generic framework for identifying the main factors with potential to influence performance (3.3). The chapter then looks separately at Training and Apprenticeships Programmes and uses the generic framework to identify specific factors and make an assessment of any impact they might have on the performance measures in-scope for this research, (3.4 and 3.5 respectively). We begin by briefly introducing these Performance Measures (3.2).

3.2 Summary of Main Performance Measures

Uptake

Uptake refers to the number of people who started the programme in each academic or financial year but can also be reported in terms of occupancy (the number of people on programme at some point during the year).

Retention, Achievement and Success

Retention, achievement and success are defined below and are usually applied to qualifications studied for a fixed duration, e.g. a school or college academic year, with an end-point assessment at a fixed point in time, e.g. examinations sat at the end of the academic year.

Retention rate: The number of programmes, or individual qualifications, for which all learning activities were completed as a percentage of the number of programmes or qualifications started.

Achievement rate: The number of programmes, or individual qualifications, for which all end-point assessments were passed as a percentage of the number of programmes or qualifications completed.

Success rate: The number of programmes, or individual qualifications, achieved as a percentage of the number started. The success rate is the product of the retention rate and the achievement rate.

This system based on retention, achievement and success was initially developed for classroom-based qualifications, which are studied for a fixed duration with an end-point assessment at a fixed time.

For apprenticeships, the distinction between the three measures is less useful, because few people will reach the end of the programme and not achieve their apprenticeship package as during the period 2013/14 to 2016/17 there was generally no requirement to undertake a formal end-point assessment³. The proportion of people that achieve the package is typically referred to as achievement rate.

³ The only exception regarding the absence of end-point assessment is in RoI where it is mandatory due to the nature of their traineeship programme as outlined in chapter 2. However, figures for retention, achievement and success are not publically available for RoI.

Compared to academic qualifications, the timing and duration of apprenticeship programmes is less uniform. People can start and finish their programmes at any time in the year and the time it takes to complete the programme of study varies. In light of this variation, different jurisdictions use different denominators for their published rate: either all starts in a year (the ‘start year’ method), all programmes expected to end in a year (the ‘expected end year’ method); all programmes that ended in a year (the ‘leaving year’ method) or a combination of these (the ‘hybrid year’ method). Box 3.1 summarises the method and shows the jurisdictions which use each measure.

Box 3.1 Summary of Achievement/Success measures by jurisdiction

Jurisdiction	Method	Definition
England	Expected End year	Achievements as a proportion of all programmes due to end in a year. Programme that take longer are counted as not being achieved.
	Hybrid end year	Achievements as a proportion of all programmes that either ended, were expected to end or were reported in a year (whichever is latest)
NI (1)	Start Year	Achievements as a proportion of all programmes that started in a year
NI (2); Scotland & Wales	End year	Achievements as a proportion of all programmes ending in a year

Progression Rates

Most pre-employment programmes considered in this research define progression rates as the percentage of participants who progress to employment or further learning at a higher level. Because apprentices are employed as part of their programme a progression rate in this sense is not appropriate and is not published on an annual basis or used to monitor provider level performance by any of the jurisdictions considered in this research.

3.3 Framework for Identification of Factors

Benchmarking is a system by which organisations or units can assess their performance in some activity by comparing it with the performance of a similar activity undertaken by other organisations or units. It provides a tool for measuring, analysing and comparing the organisation’s or unit’s performance to determine where improvements are required.

Benchmarking has significant challenges. Differences between the activity in each organisation or unit can make it challenging to identify which activities can be genuinely considered similar.

This challenge is compounded by the fact that different organisations can operate under different external conditions and prioritise different success measures in their accountability frameworks. The priority afforded to each success measure can have a significant effect on the outturn of the performance measures.

In the benchmarking literature, these differences are typically organised into dimensions along the following lines:

1. Customers: for example, the size of the customer base, complementary or substitutable options and their eligibility and preferences
2. Delivery & Supply Chains: characteristics of external partners and markets upon which the activity is reliant
3. Macro environment: external and uncontrollable factors that influence performance including the economic, social and legal factors.
4. Financial Constraints: The available resources and how they are allocated to achieve objectives
5. Success measures and any hierarchy within them

3.4 Factors with potential to Influence Performance in Training Programmes

We have outlined a framework comprising five contextual dimensions to be considered when identifying the main factors with potential to influence performance. We now use the framework to identify specific factors in the context of training programmes similar to Training for Success 2013 (TfS 2013) and then make an assessment of any impact they might have on the performance measures introduced in 3.2.

Customers

Training programme customers are young people aged 16 or 17 who are not employed or engaged in other forms of education or training. In NI there is extended age eligibility for people with a disability or from a care background.

There is a great deal of variation in the size of the eligible population between jurisdictions which will clearly have a major impact on uptake. An appropriate adjustment is to calculate the number of participants per 1,000 people aged 15-19. This is the closest age group for which comparative figures are publically available in the mid-2017 population estimates as shown in Appendix 3.

The descriptions of the programmes in chapter 2 showed that all jurisdictions allow participants to undertake technical qualifications as part of their training programme so complementary options are already included in the programmes and need no further consideration. Substitute options are more relevant. In NI, Scotland and Wales a young person can leave full time education when they reach 16 but in England, young people aged between 16 and 18 must either continue in School or College, including 'other (non-traineeship) study programmes with work experience

as their core aim; begin an apprenticeship or traineeship or spend 20 or more hours a week working, or volunteering while in part time education or training (GOV.UK, 2017). This is likely to increase the uptake of traineeships in England compared to the other jurisdictions.

Within NI, Scotland and Wales, the number of people who choose to stay on in full time education and GCSE performance at aged 16 will also affect performance.

The qualifications that pupils work towards at age 16 are determined by the devolved authorities in each UK jurisdiction and by the Irish government. Each jurisdiction sets different standards and accordingly reports GCSE performance on a different basis, making the figures difficult to interpret concretely (see Table 3.1). As such, extreme caution should be exercised in interpreting the statistics below.

Participation rate in post compulsory education is shown in table 3.2 and is based on data from the Office for National Statistics taken from a study undertaken for the Scottish government. The table suggests the participation rate is far lower in Scotland than in the other jurisdictions. However, the differences are more likely to reflect the well-known differences between the education systems in Scotland and the other jurisdictions in this study. The lead departments in each jurisdiction have subsequently removed such figures from publications that compare the systems.

Table 3.1 GCSE Performance at Academic Age 15

	5 at A*-C with English and Maths	5 at A*-C	5+ at SVQ Level 4+: equivalent to A*-C	English and Maths 9-4	Ebacc at 9-4 *	None at SVQ Level 3+: equivalent to D-G	No GCSEs
NI ¹	70.3	80.4					0.1
Scotland ²			86.4			2.0	
England ³				65.1	24.2		
Wales ⁴	60.3 **	84					

1 Department for Education, Northern Ireland, 2017

2 Attainment, leaver destinations and healthy living, No. 7: 2017 Edition - Attainment and Leaver Destinations (2015./16 leavers), published June 20th 2017

3 SFR01/2018: GCSE and equivalent results in England 2016/17 (revised), January 2018

4 Examination Results 2016/17, <https://gov.wales/statistics-and-research/examination-results/?lang=en>

* The percentage of students who study English, mathematics plus two sciences, a foreign language and history or geography at GCSE level and who achieve 9-4 in English and 3+ grades at A*-C and the other subjects

** Includes English or Welsh GCSE in addition to Maths

Table 3.2 Staying on in education post 16 (2012 Data)

	NI	England	Scotland	Wales
17 year olds in school / FE	70%	68%	41%	62%

Source Education in Scotland: Performance in a devolved policy area (X4.7).

Delivery Partners

The provision of good quality training where trainees work alongside other paid employees requires enough employers for providers to be able to meet the demand from customers. Data from the Employer Perspective Survey suggests that firms in NI are more likely to offer work experience places than other UK jurisdictions, 48% of firms in NI compared to 38% in England and 39% in Wales and Scotland (See Table 3.3). The differences are significant at the 5% level, that is, statistical analysis suggests we can be confident that this is a real difference between the firm populations in the jurisdictions as there is estimated to be less than a 5% chance of this difference being observed in the data by chance Table 3.3 shows the percentage of firms offering work experiences places for people at FE or Sixth Form College as well as those targeted at giving experience to the unemployed because respondents may not have known which scheme their placement was part of. Both measures show a higher propensity in NI than the other jurisdictions.

Table 3.3 Proportion of Firms offering work experience places

	NI	England	Scotland	Wales
Firms offering work experience Placements for people at FE or sixth form college	20%	13%**	10%**	13%**
Firms offering work experience Placements targeted at giving work experience to the unemployed	9%	5%**	7%**	7%**

** Significantly different from NI at the 5% level

Source: EPS 2016 Table 53

There are two ways of interpreting the figures in table 3.3 in terms of their potential influence on the performance measures. On the one hand, the larger pool of companies offering work experience might help to explain TfS 2013 performing better than similar programmes in other jurisdiction due to greater availability of good quality placements, working alongside other employees rather than in simulated work environments. As such one might conclude that higher performance is a result of external factors rather than DfE NI running a highly performing programming. On the other hand, the figures might be affected by positive performance by the government in NI in that they may have engaged more actively and effectively with their employer base to provide such opportunities compared to other jurisdictions.

Firms' characteristics might affect their propensity to offer work experience places. For example, larger firms might be more likely to have dedicated HR functions who can absorb the fixed costs of hosting a work experience student or service sector firms might be more willing to offer places than production sector firms due to health and safety considerations. These factors are not considered further because these possible influences are already accounted for in the proportion of firms offering work experiences places as summarised above.

Macro-environment

This dimension includes economic and legal factors affecting training programmes. Economic growth will have an indirect effect on the uptake of training programmes in that lower growth will reduce the demand for employees and increase the number of

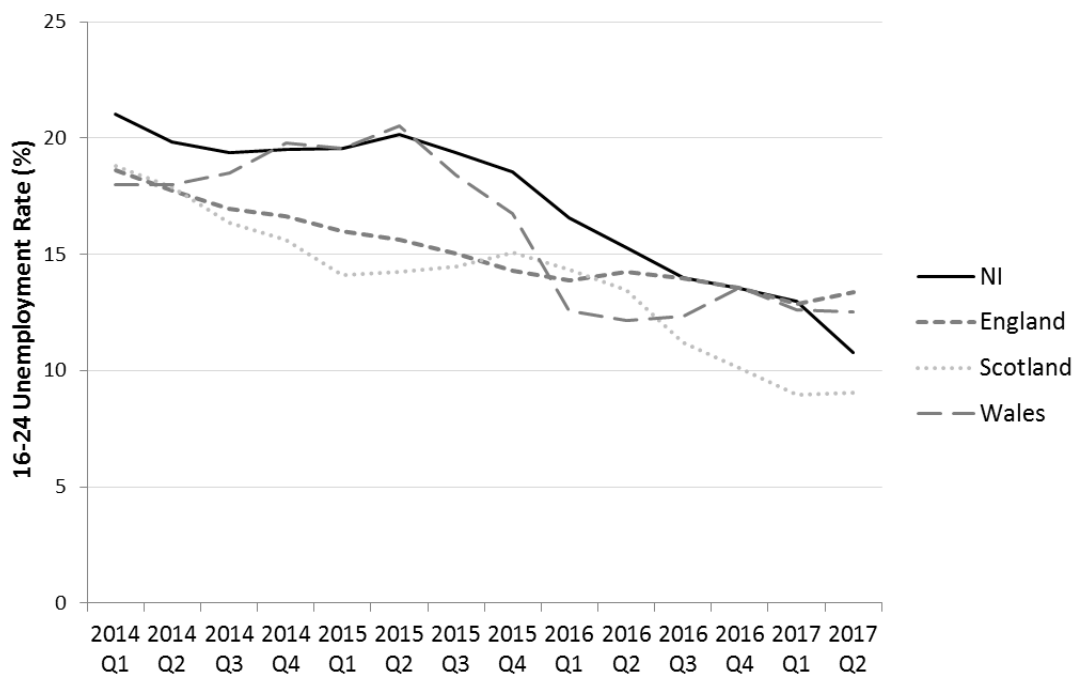
people seeking to enhance their employment prospects by engaging with such programmes. This effect can however be measured directly by unemployment rates.

Unemployment rates for 16-18 year olds are suppressed by the ONS due to small sample sizes. The unemployment rate for 16-24 year olds provides the best available proxy for the prevailing labour market conditions for 16-17 year olds and is shown for the period in which TfS 2013 was operational using a rolling quarterly average in figure 3.1.

Figure 3.1 shows that levels of unemployment in NI and Wales were similar but were higher than the rates in England and Scotland between 2014 and early 2015. In 2016 and 2017 rates in NI, England and Wales were similar but higher than those in Scotland. Dependent upon the period for which performance is being assessed this factor might explain higher uptake in NI than in Scotland and England (2014 and 2015) and higher uptake in NI compared to Scotland (2016 and 2017)

The legal age at which people can leave school could also influence performance. This was covered in the customer dimension above because it is related to the number of people who stay on in education post the age of 16.

Figure 3.1 Unemployment rate for 16-24 year olds, 2014-2017, rolling quarterly average.



Source: ONS, 2018

Financial Constraints

Jurisdictions in which the quantum of funding available is higher are likely to have higher uptake. In addition, higher levels of funding allocated per learner participating may translate to better qualified instructors and higher levels of achievement and progression. Information on the quantum of funding or the funding per programme participant could not be obtained from the selected jurisdictions for the purposes of this research.

Success Measures

The accountability framework adopted by funding bodies has significant potential to influence provider behavior. Setting a target for one measure but not another has potential to increase performance in one relative to the other.

The frameworks adopted by each jurisdiction have significant differences:

- In NI, the main accountability measure is that Training Suppliers must ensure that a minimum of 65% of all participants who are enrolled in TfS, over the lifetime of the TfS 2013 programme, achieve all targeted qualifications.
- In England, there is no single framework for monitoring performance in Traineeships and other study programmes with work experience as their core aim, reflecting the fact that until 2018 some providers fell under the accountability framework of the Skills Funding Agency and others came under the Education Funding Agency. The numbers of traineeships achieved in each academic year are published but the publication explicitly states that these cannot be used to calculate an achievement rate. Achievement rates or achievement volumes for other study programmes with work experience as their core aim are not published. Instead the department focusses on the number of people who achieve level 2 and 3 qualifications at age 19 but do not disaggregate by the type of study programme through which they were achieved.
- The headline measure in the Welsh framework is the progression rate. The targeting of progression rates in the Welsh provider accountability framework is likely to mean Welsh providers have a greater focus on this output than NI providers and lead to higher progression rates in Wales. The targeting of achievement rates in the NI provider accountability framework is likely to mean NI providers have a greater focus on this output than Welsh providers and lead to higher achievement rates in NI.

Summary

Table 3.4 gives a broad summary of the factors discussed above which have potential to influence performance in the training programmes in the selected jurisdictions. With most factors the direction of the impact on the performance measures is relatively easy to predict. The accountability frameworks will have more complex impacts on the performance measures because the impact on any single measure is likely to be inversely related to its impact on the other measures. The extent to which these countervailing influences will impact on each individual measure is extremely difficult to estimate and as such the accountability frameworks in the respective jurisdictions, is the factor which is likely to have the most impact on performance.

Table 3.4 Summary of Main Factors with potential to influence performance in Training Programmes

Dimension	Factor	Robustness of Data and, where appropriate, judgement about potential influence on performance
Customers	1. Population	Will explain lower uptake in jurisdictions with smaller populations if figures are not adjusted appropriately
	2. Age people can leave full-time education	Likely to increase uptake in England, where people are required to remain in education or training until Year 13, compared to NI, Scotland and Wales where people can leave after Year 11
	3. Proportions that choose to stay on in post 16 Education	Data unreliable
	4. Proportion of young people leaving education with no qualifications	Comparable data not available
Delivery partners	5. Proportion of Firms that offer work experience places	In NI, may explain higher measured performance in all measures or may be a positive reflection of performance
	6. Firm Demographics (size, sector and legal status mix)	Indirect effect through its impact on factor 5.
Macro-environment	7. Unemployment Rate	Varies by year
	8. Economic Growth	Indirect effect through unemployment rate
Financial constraints	9. Quantum of funding and funding per participants	Information not available
Success measures	10. Provider level performance targets	Complex ways (see chapter 4)

3.5 Factors Affecting Performance in Apprenticeships

We have outlined a framework comprising five contextual dimensions to be considered when identifying the main factors with potential to influence the success measures being used in benchmarking. We now use the framework to identify specific factors in the context of the programmes in the selected jurisdictions are similar to Apprenticeships NI 2013 and then make an assessment of any impact they might have on the performance measures introduced in 3.2.

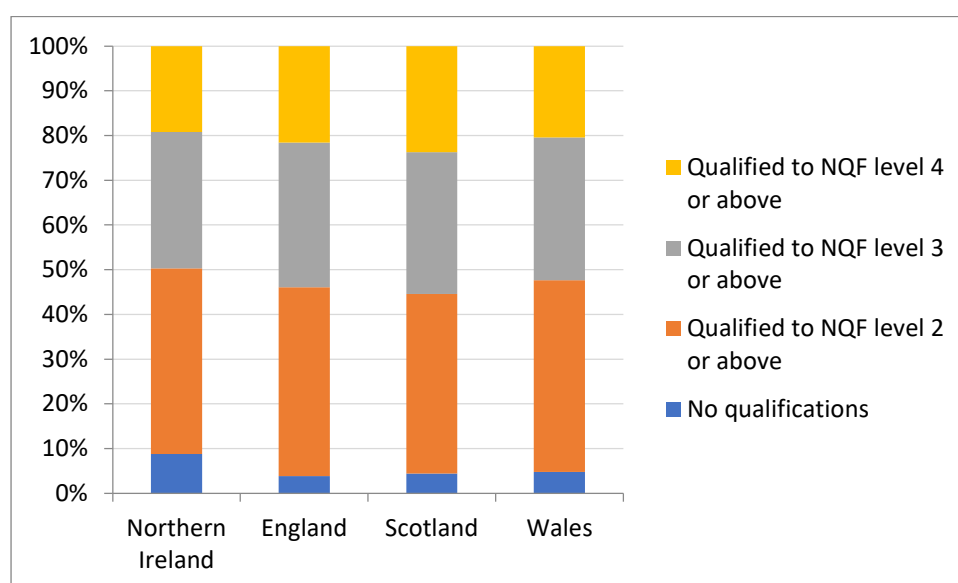
Customers

Apprenticeship customers are people aged 16 or over who have identified work with a major element of training as the most appropriate route for entry to the workplace or to improve their capacity.

There is a great deal of variation in the size of the eligible population between jurisdictions which will clearly have a major impact on the measurement of uptake. An appropriate adjustment is to calculate the number of participants per 1,000 people in the population. Population figures are provided in Appendix 3.

Figure 3.2 shows that a higher proportion of the working age population in NI have no qualifications which might explain higher demand for apprenticeships as a route into a good labour market outcome.

Figure 3.2 Qualification levels of the 16-64 population 2017



Source: Highest qualification levels of working age adults by UK jurisdiction, region and qualification; <https://stats.wales.gov.wales/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Lifelong-Learning/Qualification-Levels/highestqualificationlevelsofworkingageadults-by-ukcountry-region-qualification>

Delivery Partners

The provision of good quality apprenticeship places requires employers to offer sufficient apprenticeship jobs to meet demand. Data from the Employer Perspective Survey suggests that firms in NI are less likely to employ apprentices or offer apprenticeship places than other UK Jurisdictions (significant at the 5% level); 13% of firms in NI compared to 19% in England and 15% in Wales and Scotland (See Table 3.5).

Table 3.5 Proportion of Firms with or offering apprenticeships

	NI	England	Scotland	Wales
Currently have or offer Apprenticeships	13%	19%**	15%**	15%**

** Significantly different from NI at the 5% level

Source: EPS 2016 table 117

Firms' characteristics might affect their propensity to offer work experience places. For example, larger firms might be more likely to offer apprenticeship places than smaller firms because of the fixed costs of recruitment and compliance, and they can recruit multiple apprentices and spread the risk of trained apprentices being poached by other firms. Similarly, service sector firms might be more willing to offer places than production sector firms due to health and safety considerations. These factors are not considered further because these possible influences are already accounted for in the proportion of firms offering work experience places as summarised above. However, readers might be interested in further results from the Employer Perspective Survey (EPS) in Appendix 1 which shows the reasons why employers do not offer apprenticeships and how this varies between jurisdictions.

Macro Environment

Economic theory suggests that employer demand for labour is higher when wages are lower. Employers will potentially be motivated to employ apprentices because the National Minimum Wage (NMW) that applies to them when aged below 19 or when aged 19 and above and in their first year of study, is lower than the NMW and National Living Wage (NLW) of non-apprentices. The extent to which this might incentivise the employment of an apprentice will depend on the general wage level in the jurisdiction and how close it is to the NMW.

Following the standard approach in the literature we will use the [bite of the NMW](#), defined in the evidence base of the Low Pay Commission as the NMW divided by the median wage in the jurisdiction. In the four jurisdictions of the UK apprentices are paid the NMW appropriate for their age groups; or the Apprentices wage if the apprentice is in the first year of their training or aged below 19. The same rate is paid when working as when undertaking on or off the job training and there are no fixed rules about frequency and duration of off-the job training. RoI is very different and as such is not covered in the table and discussed below.

Given the relatively low rate of the Apprentice Minimum Wage, £3.50 per hour, the bite is very low. However, table 3.5 shows little difference between the four jurisdictions other than a slightly higher incentive to employ apprentices over other workers in England and Scotland, wages should play a relatively minor part in uptake.

The rate of unemployment may also effect the uptake of apprenticeships because higher employment would suggest there are more jobs or apprenticeship places available. Table 3.5 shows the unemployment rate is lower in NI than the other jurisdictions of the UK, particularly England. This might explain lower uptake in NI compared to the other jurisdictions but also lower achievement rates because it might lead to less effective matching of individuals and employers.

Table 3.5 Bite of the National Apprentice Minimum Wage

Jurisdictions	Bite	Median weekly pay 2016 ¹
Northern Ireland	0.30	£393.10
England	0.27	£441.70
Scotland	0.28	£431.60
Wales	0.30	£403.00

1 Source: All employees jobs Annual Survey of hours and Earnings (ASHE), ONS

Table 3.5 Unemployment Rate in UK Jurisdictions (16-64 %)

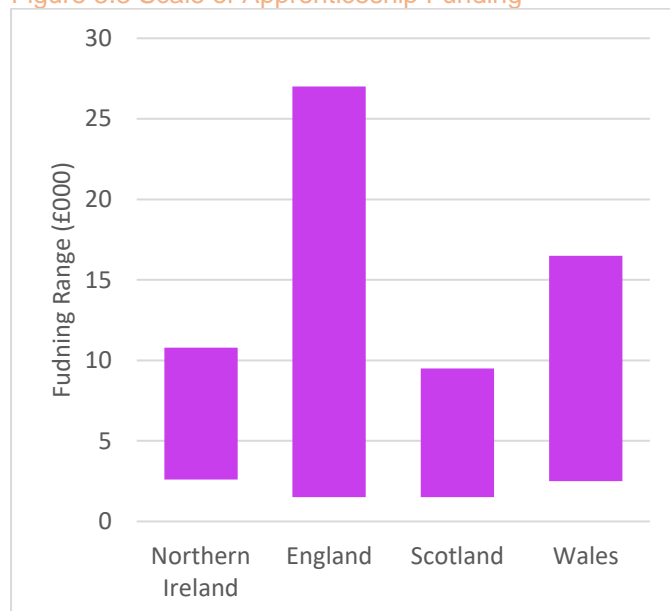
Jurisdiction	NI	England	Scotland	Wales
Employment rate (%)	69%	76%	74%	73%

Source: Regional Labour market statistics in the UK: October to December 2017 (Seasonally adjusted) Published February 2018 (X4.3)

Funding Constraints

Apprenticeship funding in each jurisdiction varies by level and industry sector of the framework being studied. The funding rates in NI vary from a minimum of £3,000, to a maximum of £11,000. This range and similar ranges for England, Scotland and Wales are shown in figure 3.3. While the range is relatively similar in NI and Scotland, each apprenticeship place in Wales can attract 50% more funding than each apprenticeship place in NI and each apprenticeship place in England can attract 150% more funding than NI. The higher rates are associated with industries such as engineering and programmes at level 3. These courses are available in all jurisdictions so the funding difference cannot be explained by the mix of programmes on offer. As higher rates of funding are likely to attract better qualified instructors and provide access to the most up to date capital stock this might translate into a higher quality learning experience and higher numbers achieving in Wales and England compared to NI. We do not mention the impact on retention and success rates because these measures are not calculated for apprenticeships (See chapter 4).

Figure 3.3 Scale of Apprenticeship Funding



Source: Apprenticeship Funding COMPARISON - UNITED KINGDOM, 2017

Success Measures

The accountability framework adopted by funding bodies has significant potential to influence provider behavior. Setting a target for one measure but not another has potential to increase performance in one relative to the other. The frameworks adopted by NI, England, Scotland and Wales have significant differences:

- In NI, the main accountability measure is that Training Suppliers must ensure that a minimum of 58% of level 2 participants and 55% of level 3 participants (over the lifetime of Apprenticeships NI 2013) , achieve all targeted qualifications.

- Although achievement rates are used in the accountability framework in England, due to minimum standards, the performance of providers will be affected by the uptake target. The target for uptake in England will create an incentive structure that drives provider behaviour in a particular way. In addition, performance is considered at a whole programme level, therefore there is potential for “pockets” of underperformance in apprenticeships to be hidden by higher performance elsewhere and as such the minimum standards may be less impactful than the specific targets for apprenticeship success that are in place in NI. As such, the accountability of providers who deliver apprenticeships alongside other programmes are less subject to scrutiny of their apprenticeship achievement rates.
- Although achievement rates are used in the accountability framework in Scotland, the performance of providers will be affected by the uptake target. The target for uptake in Scotland will create an incentive structure that drives provider behaviour in a particular way.
- Although achievement rates are used in the accountability framework in Wales, the performance of providers will be affected by the uptake target. The target for uptake in Wales will create an incentive structure that drives provider behaviour in a particular way.

Summary

Table 3.7 gives a broad summary of the factors discussed above which have potential to influence performance in the Apprenticeship programmes in the selected jurisdictions. With most factors the direction of the impact on the performance measures is relatively easy to predict. The accountability frameworks will have more complex impacts on the performance measures because the impact on any single measure is likely to be inversely related to its impact on the other measures. The extent to which these countervailing influences will impact on each individual measure is incredibly difficult to estimate and as such the accountability frameworks in the respective jurisdictions is the factor which is likely to have the most impact on performance.

Table 3.6 Factors with potential to influence performance in Apprenticeship Programmes

Dimension	Factor	Robustness of Data and, where appropriate, judgement about potential influence on performance
Customers	1. Population	Will explain lower uptake in jurisdictions with smaller populations
	2. Proportions that take degrees	Higher uptake of degrees might explain lower uptake of apprenticeships
	3. Qualification levels of the 16-64 population	May explain higher uptake in NI
Delivery Partners	4. Number of firms offering apprenticeships	Greater numbers of offering apprenticeships might explain higher uptake of apprenticeships and higher achievement I rates (better matching of learners to jobs)
	5. Barriers to firms taking on apprentices	Limited variation between jurisdictions
Macro environment	6. Economic Growth	Indirect effect through unemployment rate
	7. Unemployment Rate	Lower employment rates in NI t might explain lower uptake and lower achievement rates because it might lead to less effective matching of individuals and employers.
	8. Bite of the National Minimum Wage	Limited variation between jurisdictions
Financial Constraints	9. Quantum of funding	Information on total funding not available
	10. Funding per participants	May explain higher achievement in Wales and England
Success Measures	10. Provider level performance targets	Complex ways that are difficult to interpret

4 Performance Measures used to Monitor Success

Having identified the factors likely to influence performance in Chapter 3, this chapter returns to the programmes identified as providing a similar role to TfS 2013 and Apprenticeships NI 2013 in Chapter 2. It looks at the measures used in each jurisdiction to track performance in these programmes in terms of uptake, retention, achievement, success and progression.

4.1 Training Programmes in Selected Jurisdictions

4.1.1 Training for Success 2013 in NI

In NI the headline measure that is used to track TfS 2013 success and for which an official target is set is the percentage of participants achieving all targeted qualifications detailed in their Personal Training Plan within the agreed training period [within 2 years of starting (or 3 for those with a disability)]. The period in which participants are eligible to count towards the rate is extended to account for people who leave the programme but subsequently rejoin. This is a 'starts cohort success rate' as described in Appendix 1 which summarizes the different approaches that can be used to calculate retention, achievement and success rates.

Training Suppliers must ensure that a minimum of 65% of all participants who are enrolled in TfS, over the lifetime of the TfS 2013 programme, achieve all targeted qualifications. Years for which sufficient data is currently available is the cohorts that started in 2013/14 and 2014/15 because nearly all participants who started in these years have either completed or left in-programme. (This is not the case for later cohorts). Figures published in 2018 for this cohort (DfE, NI 2018b) show that at level 2, 50% of 2013/14 starts achieved all targeted qualifications, with no one remaining active on the programme; and for people taking a "2 en-route to level 3" programme, 43% of 13/14 starts achieved all targeted qualifications, with only one participant remaining active on the programme.

In addition to the starts cohort success rate, data is also published for the proportion of people leaving each year who achieve each individual qualification (see Appendix 1 for details), annual uptake, numbers on programme each academic year (occupancy) and a progression rate. Targets are not attached to these measures.

The published progression rate measures the proportion of leavers each academic year that progress to (sustained) employment, including apprenticeships, or learning at a higher level, including the next stage in the TfS 2013 programme. Sustained employment is defined as employment sustained for 13 weeks or more, reported by the provider and evidenced by relevant forms in order to claim their output related funding. There is no funding incentive to report a subsequent employment progression if a learning progression is also reported (it is more costly for providers to monitor and report the former).

4.1.2 Traineeships and other Study programmes with work experience as their core aim in England

Provider level performance targets in England are based on provider level minimum standards but these do not currently apply to qualifications at level 2 and below (DfE, 2017)

Annual starts for people aged 16-18 undertaking traineeships are published but figures on other (i.e. 'non-traineeship') study programmes with work experience as their 'core aim' are included in starts for all study programmes and not published on a separate basis. As such, an aggregate uptake figure which is comparable to TfS 2013 is not available.

Retention rates are not published for traineeships or other study programmes with work experience as their core aim and as such there is no target for this measure. Similarly, success rates are not published for traineeships or other study programmes with work experience as their core aim.

The numbers of traineeships achieved in each academic year are published but the publication explicitly states that these cannot be used to calculate an achievement rate. Achievement rates for other study programmes with work experience as their core aim are not published. Instead the department focusses on the number of people who achieve level 2 and 3 qualifications at age 19 but do not disaggregate by whether these were achieved via different types of study programme. As such, an aggregate achievement figure which is comparable to TfS 2013 is not available.

The numbers of traineeship learners who progressed in each academic year are published but the publication explicitly states that these cannot be used to calculate a progression rate. Positive progression outcomes include apprenticeships, employment or further study at a higher level. Progression rates for other study programmes with work experience as their core aim are not published. As such, a figure which is comparable to TfS 2013 is not available.

However, DfE England has recently published Outcome Based Success Measures for traineeships, for those who started or completed a traineeship in academic year 2014/15. (DfE England 2017)

4.1.3 Wales

Provider level performance in Wales is assessed against the learning activity. Success progression rates are presented using a traffic light rating system that assigns providers to red, amber, light green and dark green ratings, as illustrated in Figure 4.1 (Welsh government, 2017b). The success rate covers all courses taken at the provider and is not applied separately to traineeships.

Figure 4.1 Traffic light rating system for provider performance in traineeships in Wales

	Success rates	Positive Progressions	
		Traineeship - Entry level	Traineeship - Level 1
	90% or above	80% or above	75% or above
	80 – 89%	70-79%	65-74%
	75 – 79%	60-69%	55-64%
	Below 75%	Below 60%	Below 55%

National level data on retention, achievement and success are not published for the Traineeship programme in Wales because the figures used for the traffic light system are only published at provider level. Progression is measured using the leavers cohort method (see appendix 2 for details of this approach) with participants counted as having positive progression if employment, higher learning or voluntary work has been found within 4 weeks of completion. Annual starts and occupancy rates are available online for the most recent full year for which data is available and a breakdown by level is also provided.

4.2 Apprenticeships in Selected Jurisdictions

4.2.1 NI

Providers in NI are assessed against a performance target. The headline measure used to track success in apprenticeships is the proportion of learners who achieve within 2 years of the financial year in which they started (level 2 and level 3) or 4 years (combined level 2 and level 3). This is calculated using a starts cohort method (see Appendix 1 for details). Learning programmes that ended within 28 days of commencing without achievement are excluded from the uptake figures and the achievement rates. Providers need to ensure a minimum rate of achievement, with the targets for 2014/15 set at 58% and 55% for level 2 and level 3, respectively. Both targets were met in 14/15. The achievement rates in 14/15 were 65% and 66% for level 2 and level 3, respectively.

In addition, uptake is published using starts and numbers on-programme (occupancy) each quarter. The programme is a demand led programme and accordingly there is no target set for uptake.

Apprenticeships require a contract of employment which is subject to the same employment protections as all UK workers and, accordingly, NI does not report a progression into employment rate.

4.2.2 England

Between 2010 and 2015 a target of 2 million apprenticeship starts was achieved. There is a target of 3 million starts between 2015 and 2020. Individual providers are also assessed against minimum standards for qualification achievement rates which are applied to their apprenticeships and adult learning provision combined (DFE, England, 2018b). The achievement rate for minimum standards is based on the hybrid end-date (the planned end year, the actual end year or the reporting year of the learning aim, whichever is later) (DfE England 2018c). The rate is calculated for blocks of provision and if 40% or more of their provision is in a block with an achievement rate below a minimum standard threshold the department will intervene. The first stage of intervention is typically the provider being issued with a formal notice to improve. The threshold is 62% for apprenticeships and varies between 63% and 85% for other types of adult provision. If the achievement rate for apprenticeships is below 62%, whether intervention is triggered will depend on performance in their other provision and the intervention is implemented by the Education and Skills Funding Agency rather than the Department for Education.

Starts and number on programme at some point in the academic year (participation) (equivalent to occupancy in NI) are also published but neither retention rates nor success rates (in the sense of a retention rate multiplied by an achievement rate) are published.

Achievement rates are published using the hybrid end date method (the planned end year, the actual end year or the reporting year of the learning aim, whichever is later) and the timely end date method (based on the expected end year and counts all people who achieved within 3 months of their expected end date) (DfE, England 2017b). Learning programmes that ended within 6 weeks of commencing without achievement are excluded from the rate.

Because apprentices are employed as part of their programme, an annual progression rate is not used for provider level assessment. Instead DfE, England publishes a Benefits Realisation Index (BRI) which measures programme performance in terms of labour market outcomes, relative to the labour market outcomes of the programme in previous years (DfE, England, 2017a) The BRI is one output from an intensive 6 year programme of development, which has involved new legislation, a large programme of research and consultation with a wide group of stakeholders. This work culminated in the Longitudinal Educational Outcomes (LEO) database, which is used to produce the BRI. Legislation was used to provide a legal basis for matching apprenticeship administrative data with Department for Work and Pensions (DWP) and Her Majesty's Revenue and Customs (HMRC) data on benefits, employment and earnings. This data was subsequently used in econometric analysis to estimate the employment and wage uplifts associated with the achievement of apprenticeships by age, level and industry. Using the most recent estimates of employment and wage uplift, the BRI will provide an index of the estimated Net Present Value associated with the mix of apprenticeships (by age, level and industry) which are started each year, compared to the base year of 12/13.

4.2.3 Scotland

There is a target to increase annual apprenticeship starts to 30,000 by 2020. Milestones towards this target are set each year and the 17/18 target is 27,000.

The published national 'success rate' is based on the number of apprenticeship framework achievements as a proportion of people completing or leaving in-programme each year. A new approach to provider level performance measurement is being introduced in Scotland for the 2018/19 academic year and details of the previous approach are not publically available. Success rates in the sense of a retention rate multiplied by an achievement rate – as outlined in the introduction - are not published and because apprentices are employed as part of their programme a progression rate is not published.

4.2.4 Wales

There is a target for at least 100,000 apprenticeship starts during the current administration. In addition to the number of learning programmes started each academic year, Wales also publishes the number of programmes that were being undertaken at some point in the year ('in-learning') i.e. programmes started that year plus programmes that started in a previous year and are continuing. In recognition that some learners might start and be active on more than one programme per year, starts and in-learning figures are also published for unique learners. That is, each learner is only counted once in each measure. There is no national target.

Wales also publishes a success rate defined as the number of learning programmes where the full framework was achieved divided by the number of learning programmes for which the learner is recorded as completing or leaving in-programme. Learning programmes that ended within 8 weeks of commencing without achievement are excluded from the rate. Provider level assessments are undertaken for this measure. In broad terms this is the same underlying method that is used for the achievement rate in NI.

4.3 Summary

Tables 4.1 and 4.2 summarise the performance measures published by each jurisdiction for training and apprenticeship programmes respectively. The tables illustrate the very different approaches to performance measures summarised above.

Table 4.1 Summary of Performance measures Published for selected Training Programmes

Performance Measure	NI	England	Scotland	Wales
Uptake	Starts & Occupancy	Starts	Starts	Starts & Occupancy
Retention rate (all completing as proportion of starting)	<i>Not published</i>	<i>Not published</i>	<i>Not published</i>	<i>Not published</i>
Achievement rate (all achieving as proportion of completing)	Leavers cohort; academic year	<i>Not published</i>	Headline measure with target. Leavers cohort; academic year	<i>Not published</i>
Success rate (all achieving as proportion of all started)	Headline measure with target. starts cohort; financial year	<i>Not published</i>	<i>Not published</i>	<i>Not published</i>
Progression	Leavers cohort; academic year	<i>Not published</i>	Leavers cohort; academic year	Headline measure with target. Leavers cohort; academic year

¹ Included for comparative purposes although the programme was identified as not providing a similar role to TfS 2013

Table 4.2 Summary of Performance measures Published for selected Apprenticeship Programmes

Performance Measure	NI	England	Scotland ²	Wales
Uptake	Starts & Occupancy	Headline measure with target Starts (& Occupancy)	Headline measure with target Starts (& Occupancy)	Headline measure with target Starts (& Occupancy)
Retention rate (all completing as proportion of starting)	<i>Not published</i>	<i>Not published</i>	<i>Not published</i>	<i>Not published</i>
Achievement rate (all achieving as proportion of completing)	Leavers cohort; academic year	Headline measure with provider target Hybrid leavers cohort; academic year	Not published ¹	Headline measure with provider target Leavers cohort; academic year
Success rate (all achieving as proportion of all started)	Headline measure with provider target; starts cohort; financial year	<i>Not published</i>	Headline measure with provider target leavers cohort	Headline measure with target. Leavers cohort; academic year
Progression	<i>Not published</i>	<i>Not published</i>	<i>Not published</i>	<i>Not published</i>

¹ The success rate published in Scotland uses a broadly similar definition to the achievement rate published in NI.

5 Conclusions: Feasibility of Benchmarking Performance

Summary of Introduction to Benchmarking

This research by the National Institute for Economic & Social Research (NIESR) was commissioned by the Northern Ireland Department for the Economy (DfE, NI) in response to one of the recommendations made by the Northern Ireland Audit Office (NIAO) in their 2016 report: [Contracted Training Programmes](#) (NIAO, 2016).

The NIAO recommendation was that DfE NI “continue to seek opportunities to benchmark the performance of its training programmes” and that “the results of this benchmarking should be published”.

Specifically, the objective of this report, is to research the potential for benchmarking the performance of Training for Success 2013 (TfS 2013) and Apprenticeships NI 2013 at levels 2 and 3 against programmes that provide a similar role in the other jurisdictions in the UK and the Republic of Ireland (RoI). These programmes were in operation between 2013/14 and 2016/17 and this report relates to performance of these programmes in this period rather than the programmes that superseded them from 2017/18.

Benchmarking is a system by which organisations can assess their performance in an activity by making comparisons with the performance of a similar activity undertaken by other organisations. Benchmarking can provide a tool for measuring, analysing and comparing the organisation’s performance to determine where improvements could be made and, particularly in public services, for prompting conversations about the sharing of best practice.

Benchmarking has significant challenges. The literature on benchmarking, see for example Leibfried & McNair (1992) and Kyro (2003), highlights two challenges that are particularly relevant in the context of this research:

1. Differences between the activities undertaken in the ‘home’ and comparator organisations or units can make it challenging to identify which activities can genuinely be considered similar enough to provide effective benchmarks.
2. This challenge is compounded by the fact that different organisations can operate in different environments and can prioritise different success measures in their accountability frameworks. The priority afforded to each success measure can have a significant impact on the outcome of the performance measure.

To fit these challenges to the context of this research we translate them into two criteria that need to be met to provide effective benchmarks:

1. Are the programmes sufficiently similar for benchmarking?
2. Do the accountability frameworks allow a like-for-like comparison of performance?

Seeking Opportunities to Benchmark Training Programmes

The training activity in focus is the training provided by NI DfE through the TfS 2013 programme and, to the extent that they have programmes which provide a similar role, the comparators are the jurisdictions of England, Scotland, Wales and RoI.

The TfS 2013 programme is aimed at young people aged 16 or 17 without a contract of employment and has the aim of making them ready for an apprenticeship, other employment or higher level learning. Eligibility is extended to age 22 for young people with a disability and to age 24 for young people from a care background.

The following training programmes were identified as having similarities to Training for Success 2013 in terms of their target customers:

- Traineeships and Other Study Programmes with work experience as their core aim in England
- The Employability Fund in Scotland
- Traineeships in Wales
- Traineeships in RoI

These programmes were then assessed against the two criteria for effective benchmarking.

Criterion 1: Are the programmes sufficiently similar for benchmarking?

- Using the Employability Fund in Scotland to benchmark TfS 2013 is not feasible because the programmes provide very different roles. The Employability Fund (EF) in Scotland extends beyond individuals without a contract of employment to people who work less than 16 hours per week or are within 13 weeks of being made redundant. The EF therefore provides a much wider role in Scotland than TfS 2013 provided in NI. The programme therefore fails to meet our first benchmarking criterion of providing a broadly similar role and is not an appropriate benchmark for TfS 2013.
- Using Traineeships in RoI to benchmark TfS 2013 is not feasible because the programmes provide very different roles. Traineeships in RoI are only available where an industry has identified a skills gap and collaborated with the government to create a traineeship programme to fill the gap. In addition, there is an end-point assessment where learners must demonstrate they have reached a threshold level of competence in a list of skills related to the industry in which the traineeship was undertaken, Traineeships in RoI therefore provide a much narrower role in terms of industry coverage and a much deeper role in terms of skills progression. Due to this fundamental difference between the remit of the programmes, and in line with the benchmarking literature summarised in the introduction, traineeships in RoI is not considered to an appropriate benchmark for TfS 2013.

As such, Chapter 2 concluded that the roles provided by these programmes were not genuinely similar and the programmes do not satisfy the first criteria for effective benchmarking.

- Traineeships and Other Study Programmes with work experience as their core aim in England provide a genuinely similar role to TfS 2013. Firstly, the programme is aimed only at people without a contract of employment and has a similar duration and curriculum to TfS 2013. As with TfS 2013, it can be undertaken in any industry sector where an employer chooses to offer a work placement, and, if there are insufficient places to meet demand, the work experience can be undertaken in a simulated work environment such as a College restaurant or workshop.
- Traineeships in Wales provide a genuinely similar role to TfS 2013 at entry level and level 1. Firstly, the programme is aimed only at people without a contract of employment and has a similar duration and curriculum to TfS 2013. As with TfS 2013, Traineeships in Wales can be undertaken in any industry sector where an employer chooses to offer a work placement, and, if there are insufficient places to meet demand, the work experience can be undertaken in a simulated work environment such as a College, restaurant or workshop or, for entry level programmes, by volunteering.

As such, chapter 2 concluded that the roles provided by these programmes were similar for selected age groups and the programmes for these age groups satisfy the first of the above criteria for benchmarking.

Criterion 2: Do external factors and accountability frameworks allow a like-for-like comparison of performance?

- Using Traineeships and Other Study Programmes with Work Experience as their Core Aim in England to benchmark TfS 2013 is not feasible because of differences in the accountability frameworks. There is no single framework for Traineeships and Other Study Programmes with Work Experience as their core aim in England reflecting the fact that until 2018 some providers fell under the accountability framework of the Skills Funding Agency and others fell under the accountability framework of the Education Funding Agency. Different frameworks operating in parallel will influence performance in complex ways so it is not possible to ascertain whether Traineeships and Other Study Programmes with Work Experience as their Core Aim in England provide an effective benchmark for TfS 2013.
- Using Traineeships in Wales to benchmark TfS 2013 is not feasible because of differences in the accountability frameworks and other contextual factors. The factor this research has identified as having the most potential to influence the outturn of performance measures is the accountability frameworks adopted by NI and Wales. The targeted headline measure in the NI accountability framework is the achievement rate for TfS 2013 and the targeted headline measure in the Welsh accountability framework is the progression rate. Setting a target for one measure but not another has potential to increase performance in one relative to the other. The targeting of achievement rates in the NI provider accountability framework is likely to mean NI providers have a greater focus on reporting achievement than Welsh providers and lead to higher achievement rates in NI. The targeting of progression rates in the Welsh provider accountability framework is likely to

mean Welsh providers have a greater focus on reporting progression than NI providers and lead to higher progression rates in Wales. Between 2003/04 and 2006/07 the unemployment rate for young people was higher in NI compared to Wales and to some extent this will make positive progression harder to achieve in NI. The progression rates in the two jurisdictions use a similar methodology and the rate in Wales is around 50 percentage points higher than the rate in NI. It is the view of the author that this difference is too large to be realistically explained by the difference in the unemployment rates or genuine differences in provider performance. The only realistic explanation is the difference in the accountability frameworks. For this reason, we have concluded that Traineeships in Wales are not suitable for benchmarking TfS 2013. We do not provide the actual figures here to avoid a risk that conclusions are reached with insufficient consideration of these contextual factors and policy recommendations are made which might be detrimental to programme objectives and future performance.

As such, these two programmes do not satisfy the second criteria for effective benchmarking because *they do not* operate with similar accountability frameworks in a similar context to TfS 2013.

Seeking Opportunities to Benchmark Apprenticeship Programmes

The second programme in scope for the research is Apprenticeships NI 2013 at levels 2 and 3. The comparators in scope are England, Scotland, Wales and RoI.

ApprenticeshipsNI 2013 is a package of qualifications along with a contract of employment for 21 or more hours per week. Pay levels are guided by the (UK) National Minimum Wage rate for apprentices. Apprentices can be either a new employee or an existing employee in a new job role. Training is delivered through a mixture of on and off the job training. The qualification elements are delivered by a training provider (typically) on a day release basis, usually for one day per week.

All other jurisdictions have Apprenticeship programmes at levels 2 and 3 (or the equivalent level in their respective qualification frameworks). These programmes were then assessed against the two criteria that should be met for effective benchmarking.

1 Are the programmes sufficiently similar for benchmarking?

- Using Apprenticeships in RoI to benchmark Apprenticeships NI 2013 is not feasible because the programmes provide very different roles. Unlike the other jurisdictions, in which apprenticeships are available for most industries, the apprenticeship programme in RoI has until recently retained its focus on around 10 sectors which are traditionally associated with apprenticeships, such as construction and electro-technical engineering. The sectoral mix of the programme will be very different and as such the programme provides a different role from the perspective of employers.

As such, Chapter 2 concluded that Apprenticeships in RoI do not satisfy the first criteria for effective benchmarking.

- Apprenticeships in England provide a similar role as Apprenticeships NI 2013 for people aged 16-24. There are few restrictions in terms of age and sectoral availability for the Apprenticeship programme in England. As such the sectoral mix of the programme for people aged 25+ will be very different and this has led to the conclusion that Apprenticeships in England and Apprenticeships NI 2013 provide different roles from the perspective of employers. In other respects, including the curriculum composition and the requirement for apprentices to be new employees or existing employees in a new role. As such, the English Apprenticeship programme is concluded to provide a similar role to Apprenticeships NI 2013 for people aged 16-24.
- Apprenticeships in Scotland provide a similar role to Apprenticeships NI 2013 for people aged 16-24. The Apprenticeships programme in Scotland gives priority to providing apprenticeships for people aged 16-24 through funding rules (although people of all ages retain some have potential to access the full range of Scottish apprenticeship sectors) whereas in NI priority is given to this age group by focusing eligibility for people aged 25 and over to specific industry sectors rather than the full range of sectors available to people aged below 25. These features of the programme will mean that the sectoral mix of the programme for people aged 25+ will be very different and this has led to the conclusion that Apprenticeships in Scotland and Apprenticeships NI 2013 provide different roles from the perspective of employers. In other respects, including the curriculum composition and the requirement for apprentices to be new employees or existing employees in a new role. As such, the Scottish Apprenticeship programme is concluded to provide a similar role to Apprenticeships NI 2013 for people aged 16-24.
- Apprenticeships in Wales provide a similar role to Apprenticeships NI 2013 for people aged 16-18. A key difference to the programme in NI is the greater focus on recruiting apprentices with academic age 16-18. The sectoral mix of the programme for people aged 19+ will be very different and this has led to the conclusion that Apprenticeships in Wales and Apprenticeships NI 2013 provide different roles from the perspective of employers. In other respects, including the curriculum composition and the requirement for apprentices to be new employees or existing employees in a new role, the programmes in Wales and NI are similar. As such, the Welsh Apprenticeship programme is concluded to provide a similar role to Apprenticeships NI 2013 for people aged 16-18

As such, chapter 2 concluded that the roles provided by these programmes were similar for selected age groups and the programmes for these age groups satisfy the first of the above criteria for benchmarking.

Criterion 2: Do external factors and accountability frameworks allow a like-for-like comparison of performance; do the programmes operate with similar accountability frameworks in a similar context?

- Using Apprenticeships in England to benchmark Apprenticeships NI 2013 is not feasible because of differences in the accountability frameworks. The headline measure in the NI framework for provider level accountability is the

success rate. While this is also a factor in England, through minimum standards, the performance of providers in England will be most affected by the targets for 2 million apprenticeship starts between 2010 and 2015 and 3 million in the parliament beginning 2015, supported by the availability of sufficient funding for the targets to be met. Setting a target for one measure but not another has potential to increase performance in one relative to the other. Because NI has a target for achievement but not uptake whereas England has a target for uptake, the incentive structures driving provider behaviour are very different. As such, policy makers are unlikely to be successful in separating differences in performance deriving from the accountability frameworks from implications for improving performance from genuine differences in provider performance. In addition, the accountability of providers who deliver apprenticeships alongside other programmes is influenced to a lesser extent by apprenticeship achievement rates than providers who specialise in apprenticeships subject to apprenticeship achievement rate because performance is considered at a whole programme level so there is potential for “pockets” of underperformance in apprenticeships to be hidden by higher performance elsewhere. As such, the minimum standards may be less impactful than the specific targets for apprenticeship success that are in place in NI. In addition, the employment rate in NI lower in NI than in England, e.g. there was a 7 percentage point difference towards the end of the period of operation of Apprenticeships NI 2013. This might explain lower uptake in NI compared to England and lower achievement rates because of less effective matching of individuals and employers.

- Using Apprenticeships in Scotland to benchmark Apprenticeships NI 2013 is not feasible because of differences in the accountability frameworks. The headline measure in the NI framework for provider level accountability is the success rate and while this is also a factor in Scotland the uptake target in Scotland is likely to have a greater impact on performance. Setting a target for one measure but not another has potential to increase performance in one relative to the other. Because NI has a target for achievement but not uptake, whereas Scotland has a target for uptake, the incentive structures driving provider behaviour are very different. In addition, the proportion of firms that offer apprenticeships is higher in Scotland compared to NI. Higher availability of places has potential for better matches between learners and employers and lead to achievement rates being higher in Scotland than NI. As such, policy makers are unlikely to be successful in separating differences in performance deriving from the accountability frameworks and contextual factors from any implications for improving performance that derive from genuine differences in provider performance.
- Using Apprenticeships in Wales to benchmark Apprenticeships NI 2013 is not feasible because of differences in the accountability frameworks. The headline measure in the NI framework for provider level accountability is the success rate and while this is also a factor in Wales the uptake target in Wales is likely to have the greater impact on performance. Setting a target for one measure but not another has potential to increase performance in one relative to the other. Because NI has a target for achievement but not uptake

whereas Wales has a target for uptake but not achievement, the incentive structures driving provider behaviour are very different. In addition, the proportion of firms that offer apprenticeships is higher in Wales than NI and the maximum funding available in Wales is twice the highest rate available in NI. Both factors might produce higher achievement in Wales than NI. As such, policy makers are unlikely to be successful in separating differences in performance deriving from the accountability frameworks and contextual factors from any implications for improving performance that derive from genuine differences in provider performance.

As such, these three programmes do not satisfy the second criteria for effective benchmarking because *they do not* operate with similar accountability frameworks in a similar context to ApprenticeshipsNI 2013.

Summary

In undertaking this research every effort has been made to find commonalities between NI and the other jurisdictions in terms of their training programmes and the measures they use to assess performance. This has proven to be particularly challenging due to the devolved nature of education policy, despite their shared origins and the continued relationship between the relevant departments.

In particular, the roles provided by the EF in Scotland and Traineeships in RoI are too different to the roles provided by TfS 2013 for effective benchmarking. Similarly, the role provided by Apprenticeships in RoI is too different from the role provided by Apprenticeships NI 2013 for effective benchmarking. This finding relates to differences between the industry sector mix and the fact that a national apprenticeship programme is a combination of apprenticeship frameworks which have a similar structure but which provide a very different role for each industry sector in which they are undertaken.

In the case of the training programmes in England and Wales, and Apprenticeships in England, Scotland and Wales the focus of performance management is very different from the focus in NI. As such, the incentive structures driving provider behaviour are extremely different and policy makers are unlikely to be successful in identifying any implications for improving performance from any differences identified through benchmarking.

Benchmarking could be feasible if the accountability frameworks in the jurisdictions were modified to align more closely. However, since the devolution of education policy, the design of programmes will have diverged to meet the different needs of each jurisdiction and the accountability frameworks will have been designed to incentivise the behaviours needed to meet these objectives. Aligning policy and/or accountability frameworks to facilitate benchmarking is not recommended because it would compete with the objective of making the programmes fit the purposes of each jurisdiction.

Worse than not being able to draw conclusions about effective ways to improve performance, there is a risk that any benchmarking activity undertaken using the current programmes operating under the current accountability frameworks could lead to policy changes that were detrimental to performance, because of insufficient

attention being paid to the contextual differences, for example, by stakeholders with particular interests.

6 Recommendations

There is currently no scope to effectively benchmark TfS 2013 and Apprenticeships NI 2013 and this will continue to be the case unless there are major policy initiatives to more closely align the programmes in the respective jurisdictions.

- Recommendation 1: Policy should not be aligned for the purpose of benchmarking. Since the devolution of education policy, the design of programmes will have diverged to meet the different needs of each jurisdiction. Aligning policy to facilitate benchmarking is not recommended because it would compete with the objective of making the programmes fit the purposes of each jurisdiction.
- Recommendation 2: Benchmarking should not be undertaken using the current programmes and accountability frameworks. There is a risk that this could lead to policy changes that are detrimental to performance, because of insufficient attention being paid to the contextual differences, for example, by stakeholders with particular interests.

However, in looking at the various measures used by the selected jurisdictions the research has identified some useful measures that are recommended. DfE NI should seek opportunities to develop two new performance measures. This has the potential to benefit the internal performance management of the reformed training and apprenticeships programmes, which are replacing TfS 2013 and Apprenticeships NI 2013. The following two recommendations (3 and 4) would deliver far greater benefits to performance in NI than further seeking opportunities for benchmarking.

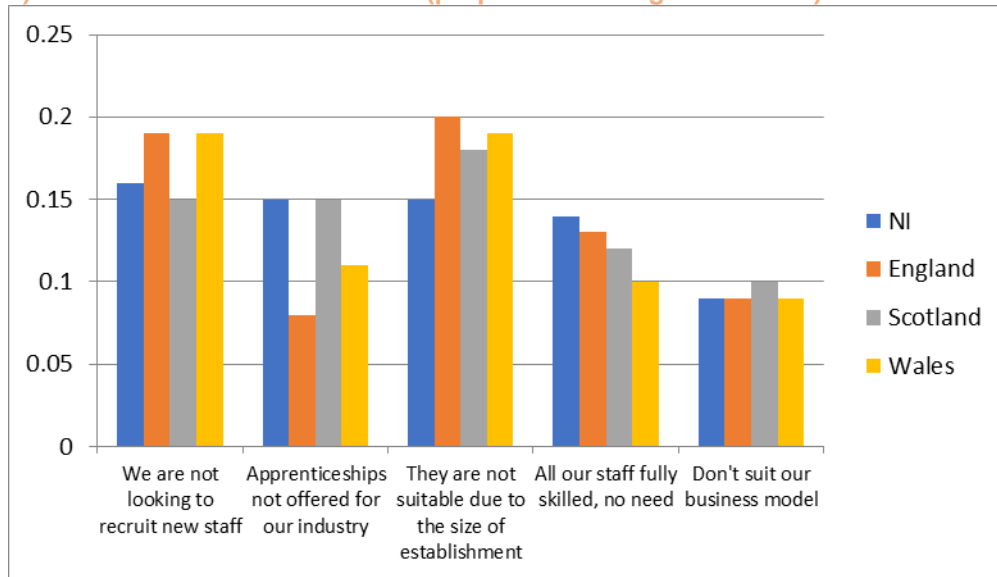
- Recommendation 3: Firstly, DfE NI should seek opportunities to develop a success rate that uses the hybrid method for constructing the denominator of the rate. This method allows the performance of providers to be assessed earlier than the current success rate method used for the provider level targets. This is because the current success rate used for the provider level targets are based on all people who start in a financial year and, for learners starting 2 year programmes towards the end of the year, it can take almost 3 years for them to complete and for their outcome to be included in the rate.
- Recommendation 4: DfE NI should seek opportunities to undertake a programme of research to develop a Benefits Realisation index for their apprenticeships programmes to compare the economic benefit accrued from each cohort of apprentices compared to previous cohorts. This approach has been developed in England through an extensive programme of research and would involve a series of challenges. However, building on the lessons learned in England it may be achievable. The first and most significant challenge in the process undertaken in England was obtaining the legal basis for matching Apprenticeship administrative data with data on benefits, employment and earnings from the Department for Work and Pensions (DWP) and Her Majesty's Revenue and Customs (HMRC). The recommended first step is for DfE NI to engage with counterparts in the Department for Education in England to learn lessons from the process they have undertaken over the last 6 years, and from their ongoing development of the approach.

It is the author's view that implementing these two recommendations would offer greater potential for driving continuous improvements in training and apprenticeship programmes in NI than continuing to seek other opportunities for benchmarking.

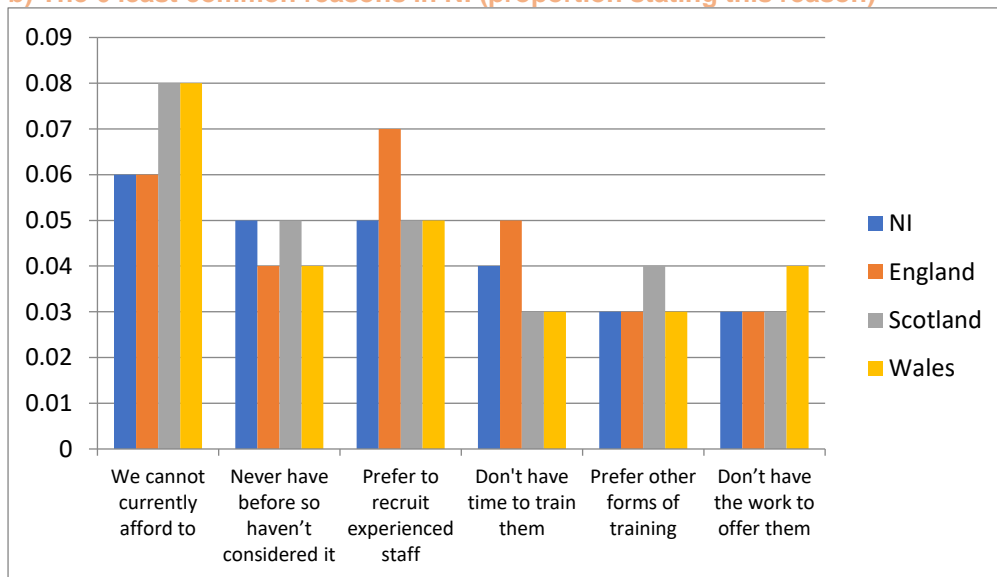
Appendix 1 Reasons why employers do not offer apprenticeships

Figure A1 Reasons why employers do not offer apprenticeships

a) 5 most common reasons in NI (proportion stating this reason)



b) The 6 least common reasons in NI (proportion stating this reason)



Source: EPS 2016 table 133

Appendix 2: The 5 Objectives of the Research

The overall aim of the research is to benchmark performance of relevant vocational training and apprenticeship programmes elsewhere against NI. There are five main objectives:

- a) Identify relevant programmes in England, Scotland, Wales and Rep of Ireland, that provide a similar role to TfS and AppsNI in Northern Ireland;
- b) Outline what performance measures they use to track success for these programmes and assess the performance of these programmes based on these measures. This must include a consideration of measures around uptake, retention achievement/success, and progression;
- c) Identify the main factors behind this performance. This must include consideration of the scale of funding and the funding model employed as well as broader societal and labour market conditions, which are likely to influence programme performance;
- d) Carry out a quantitative benchmarking of programme performance in Northern Ireland against England, Scotland, Wales and the Rep of Ireland. This must consider the different approaches in place across comparators and explore what methodologies could be used to allow for consistent benchmarking with Northern Ireland given this; and
- e) Recommend the way forward for benchmarking vocational training and apprenticeship programmes in NI given the approaches in other comparators, taking into account variations in strategies, influential factors and methodologies.

Appendix 3 Mid-2017 Population Estimates

Table A3 Population in Selected Jurisdictions (2017 Mid-Year estimates)

	All age Population	Population aged 15-19
NI	1,871,000	116,000
England	55,619,000	3,121,000
Scotland	5,425,000	290,000
Wales	3,125,000	178,000

Source: (ONS, 2018).

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