

World-class Apprenticeships: Consultation

Summary

- The Chartered Insurance Institute welcomes the Government's commitment to growing Apprenticeships, particularly the increase in the number of 25+ Apprenticeships, which will allow the financial planning sector to benefit from the scheme. We are keen to see the closing of skills gaps at Level 3 and above in the financial services sector, and view the award as an excellent opportunity for SMEs, as well as larger employers, to upskill their workforce in a cost-effective, time-efficient way.
- We believe that communicating the benefits of the Apprenticeship scheme will be just as important as the quality of delivery and the award itself.
- We welcome the proposed National Apprenticeship Service as a focus for the Apprenticeship and an opportunity to offer a national view of needs.

A Response by the Chartered Insurance Institute

Background

The Chartered Insurance Institute (CII) is the world's leading financial services professional body and one of the UK's largest examination awarding bodies. A number of our qualifications are currently part of three Apprenticeships (Apprenticeship and Advanced Apprenticeship in Retail Financial Services and Advanced Apprenticeship in Advising on Financial Products) and we also provide help and guidance to those employers wishing to get involved with Apprenticeships.

Consultation Questions

Have the barriers to the growth of the Apprenticeship programme been accurately and comprehensively identified?

The CII believes the biggest barrier to the growth of Apprenticeships in the financial services (FS) sector is the dearth of those able to deliver Apprenticeships. Therefore the Financial Services Skills Council and awarding bodies need to work together to identify those individuals with the skills to deliver them.

Another key barrier to growth has been the fact that training providers have not been able to operate across LSC regions – although this does seem to have been addressed.

However, we feel that a number of the propositions within the paper will aid the growth of Apprenticeships in the FS sector. For example the revised Apprenticeship frameworks will help to encourage more people to join the sector, especially in these uncertain economic times. In addition, the breaking down of the age barrier is a very positive step, since those in a position to deliver advice are more likely to be over 25 than under, given the nature of the products being discussed.

The Chartered Insurance Institute asks Ministers to consider the extension of Apprenticeships in the FS sector to level 4, as we believe this would deal with the likely outcomes of the Financial Services Authority's Retail Distribution Review and help with the drive to improve standards of professionalism within the sector. We feel that this is an important step to maintain the UK's position as the world's leading financial services market.

Will the proposals to strengthen the Apprenticeship programme – including revisions to the blueprint – be welcome among Apprentices, training providers and employers?

The CII believes that the proposals will, without doubt, strengthen the present Apprenticeship scheme. In particular we feel that the awarding of UCAS points

for scheme will help to give parity of esteem. However the main issue and potential barrier to growth, especially in the FS sector, is one of promotion and capability.

Have we identified the right range of functions for the National Apprenticeship Service?

The CII welcomes the proposed National Apprenticeship Service and will be happy to help and engage with it wherever possible. In particular the task force will be a great help in trying to make the breakthrough in driving up Apprenticeship numbers throughout the country.

What more can be done to encourage employers to offer Apprenticeship places?

There needs to be greater promotion of the award to the complete range of employers – in particular the SME market which should take advantage of the scheme. In doing so preconceived ideas need to be challenged; indeed many still exist within the FS sector. Interaction with successful Apprentices and their employers will encourage others to become involved once they have seen the benefits of the scheme.

Employers will be more willing to offer Apprenticeships if they have a local training provider that they can work with, at least in the first instance. Increasing the number of providers is an important deliverable.

How can we encourage those who already do to offer more places?

This will be difficult for SME market, and for major employers the financial benefits will need to be sold – maybe there could be a designation for those employers who create a certain number of Apprentices each year, either as a number or a percentage. Fortunately, the blend of political backing and work by bodies such as the CII is helping to convince more employers to get more involved.

Have we identified the right measures for effecting a culture change around Apprenticeships?

The introduction of UCAS points should help to provide better routes of progression and therefore the attractiveness to students. However this must be matched by the highest quality of information, advice and guidance to those considering their options.

Work will need to be undertaken to ensure employers understand the economic benefits that Apprenticeships bring. In the FS sector this will be vital in helping to change the attitude that continues to prevail that Apprenticeships are for manufacturing, not financial services.

Have we identified the right measures to address the Apprenticeship programme's diversity issues?

Insurance and to a lesser extent financial services is not representative of the diversity that exists in the current UK workforce. The issue is not one of positive action/discrimination, so much as ensuring that the messages and images about the opportunities that Apprenticeships offer are inclusive. The

Key Points

- The biggest barrier to the growth of Apprenticeships in the financial services sector is the dearth of those able to deliver Apprenticeships.
- The extension of Apprenticeships in financial services to level 4, would deal with the likely outcomes of the Financial Services Authority's Retail Distribution Review and help with the drive to improve standards of professionalism within the sector.
- Interaction with successful Apprentices and their employers could encourage others to become involved once they have seen the benefits of the scheme.

NAS task force that is to look at how to increase Apprenticeship take up should help to identify particular issues relating to diversity.

It is also the case that Apprenticeships are unlikely to appeal to certain groups within society until there is parity of esteem with other qualifications.

The Chartered Insurance Institute

The CII Group is the world's leading professional organisation for insurance and financial services. With over 92,000 members in 150 countries, we are committed to maintaining the highest standards of technical expertise and ethical conduct in the profession:

- **Education:** we offer 43 modules in general insurance and 24 in financial services.
- **Qualifications:** at the Certificate, Diploma and Advanced Diploma and Chartered levels, all recognised within the national Qualifications and Curriculum Framework.
- **Code of Conduct:** to which our members must comply sets out required standards.
- **Continuing Professional Development:** all qualified members are required to undertake various learning activity to maintain their knowledge.

Further Information

If you require anything further from the CII in relation to this particular consultation, please do not hesitate to contact Caspar Bartington (Tel: 020 7417 4788; Email: caspar.bartington@cii.co.uk).

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