

BESA welcomes election focus on apprenticeships

1 year ago



The <u>Building Engineering Services Association</u> (BESA) has welcomed the renewed focus on technical apprenticeships triggered by the general election campaign.

The Conservative Party has promised to deliver 100,000 'high skilled apprenticeships' a year by the end of the next parliament as an alternative to so-called <u>"rip off university degrees"</u> which it says do not provide value for money or good employment prospects.

The <u>Institute for Fiscal Studies</u> (IFS) calculates that one in five students (about 70,000 a year) would have been better off not going to university in terms of their lifetime earnings, and the <u>Office for Students</u> says almost three in ten graduates do not go on to skilled employment or further education within 15 months of graduation.

The government's proposal would represent a 30% increase on current levels of new apprenticeship starters.

Labour has also proposed a 'growth and skills levy' that would allow employers to spend up to half of the money they receive from the government to train existing staff in "high-level technical skills" including building retrofit and engineering.

The party pledges to reserve at least 50% of the money from the training levy for apprenticeships and to create 150,000 traineeships for young people.

Rewarding

BESA said that degree courses should not be the "default option" for young people and that technical



apprenticeships offered a valuable and rewarding alternative. However, it pointed out that employers would also need much more financial support to take on the greater number of apprentices proposed.

According to the IFS, the training levy raises around £550m more from larger employers than is allocated to apprenticeship funding, and BESA urged the incoming government to look at how this money could be more effectively distributed to support technical apprenticeships.

The Association, which represents employers across the building services engineering sector, recently worked closely with the <u>Institute for Apprenticeships and Technical Education</u> (IfATE) on a comprehensive review of apprenticeship standards.

The Department for Education (DfE) has also confirmed new funding arrangements for building services apprenticeships including £12,000 a year for the new building services engineering (BSE) installer course; £17,000 for BSE craft person, with BSE service and maintenance apprentices set to receive £18,000 a year. These funding bands will be in place for the new academic year starting in August.

"We are pleased to see technical apprenticeships getting high level political attention, which comes hot on the heels of the very positive funding news from the DfE," said BESA's director of competence and compliance Helen Yeulet.

"We have been working hard on behalf of our employers to update and improve apprenticeships to help plug the industry's skills gap. Confirmation of funding is a huge step forward."

15,570 apprentices started working in the BSE sector during the academic year up to last July, according to DfE data, but this represented a 20% fall in numbers from the previous year. However, the BSE technician and professional categories did grow but only from a relatively low starting point. The much larger operative category was down by 9%.

However, BESA believes that the changes made to the courses and the confirmation of government funding will encourage more employers to invest in apprentices in the coming years.

"Apprenticeships offer great value for money and represent an excellent option for people of all ages looking to learn new skills and improve their employment prospects," said Yeulet. "We are encouraged that this is being debated by the main parties during the election and will continue to work with the new administration to turn the vision for a future powered by apprenticeships into reality."

BESA added that the cost-of-living crisis had made it even more likely that a young person looking for their next step after school would not go to university with the chance to 'earn as you learn' making apprenticeships more appealing.

Flexible

The review of standards was also partly in response to calls from employers for apprenticeships to be more flexible, and more closely aligned with their needs and those of employees at different stages of their careers.

The building services engineering sector has a rapidly ageing workforce with a high proportion of employees already over 60 and nearing retirement plus there has been a sharp drop in the number of workers under 30. This will make it increasingly difficult to meet demand for technical skills in growth



areas such as indoor air quality, decarbonisation of heating, and renewables.

In response, BESA is encouraging employers to take its <u>'Future Skills' pledge</u> which helps the Association and its college partners identify and prepare the training resources needed to meet future demand.

Yeulet pointed out that up to 95% of an apprentice's training and assessment costs are covered by the government via the apprenticeship levy – and because they are directly employed, an apprentice starts contributing to the business immediately.

78% of businesses who employ apprentices enjoy better productivity, according to the DfE, and 74% of employers said apprenticeships had helped them improve the quality of their product or service.