



INSTITUTE  
OF THE MOTOR  
INDUSTRY

## CAN THE 3 MILLION TARGET FOR APPRENTICES BE ACHIEVED?

*Government plans to increase apprentice numbers by 2020 will fail according to training providers and businesses with training academies in England*



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# POST 16 EDUCATION REFORM AND APPRENTICE ENROLMENT SURVEY 2015

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# METHODOLOGY



Ahead of this year's GCSE results IMI sought the experiences and views from its Approved Centres, FE colleges and businesses that are approved to provide IMI qualifications, on the change to Government legislation increasing from 16 to 18 the age to which all young people in England are required to continue in education or training.

The IMI also wished to determine whether IMI Centres believed the careers guidance in schools was of sufficient quality and balanced enough to enable young people to make informed decisions on their destination post 16 and whether the information offered by the National Careers Service has made any impact on apprentice enrolments.

IMI asked the Approved Centres whether the quality and employability of young people applying for apprenticeships is meeting that demanded by industry.

IMI asked the Centres whether increasing the apprentice minimum wage by 20% or raising it to the level of employed 16-17 year olds would provide sufficient incentive to attract the right quality

of individuals.

Finally, IMI asked IMI Centres to give their expert opinion on whether on the back of the Government's manifesto pledge of 3 million additional apprenticeship places across all sectors in the next 5 years, and how this should be targeted within the automotive sector and whether the sector would benefit from the pledge.

The survey conducted in July 2015 was targeted the centre coordinators of each of the IMI's 650 Approved Training Centres in the UK.

IMI received 75 responses, a respectable and representative 11.5% response rate.

All 8 key questions were closed requiring a nominal response from a selection of 3-4 choices of answer.

Questions also invited the individual coordinator to provide information on the experiences of their Centre and opinions.





# SUMMARY

In this research carried out in July 2015 Further Education colleges and businesses are warning that education cuts, poor careers advice, and schools keeping pupils on to maintain funding, will see them struggle to recruit the numbers and the quality of trainees they need to sustain economic growth over the next five years.

The survey of 650 training centres offering IMI automotive qualifications, conducted by the Institute of the Motor Industry (IMI) found that just over half (54%) of training providers welcomed the Government's ambition to increase apprenticeships to 3 million but many fearing other policies will make it impossible to achieve.

Eighty per cent of respondents said that careers advice, which has been provided in schools on an ad hoc basis since 2012, is at best unhelpful. Only ten per cent think advice offered by the National Careers Service has any impact on apprentice recruitment.

Anecdotal evidence collected alongside the survey points to a lack of understanding in schools of the technical and academic requirements of an

apprenticeship in the motor industry. Eighty five per cent said that most applicants do not have the required academic grades. Most businesses (87%) reported that the "employability" of prospective trainees sent to them by schools was poor, with some saying they would rather employ migrant workers than take on an apprentice.

All respondents agreed that the current situation is set to get much worse now the education participation age has been raised to 18 in England. It is not widely understood by parents or young people that this is not restricted to school, and apprentice trainers report that schools are hoarding students and withholding information about vocational training at 16.

The majority of respondents (69%) said that Government should increase the apprentice minimum wage in line with the rate for employed 16 -25 year olds.

The IMI represents the £152 billion a year retail motor industry, which needs 12,000 apprentices a year to stand still.



*“With funding for education set to be squeezed, employers and training providers in the motor industry are voicing fears that they will lose out in the race for the best learners. Schools will seek to keep as many “paying” students in 6th form as possible. They need only to ration information about alternatives and the already small talent pool available to fill apprenticeship vacancies will be drained.*

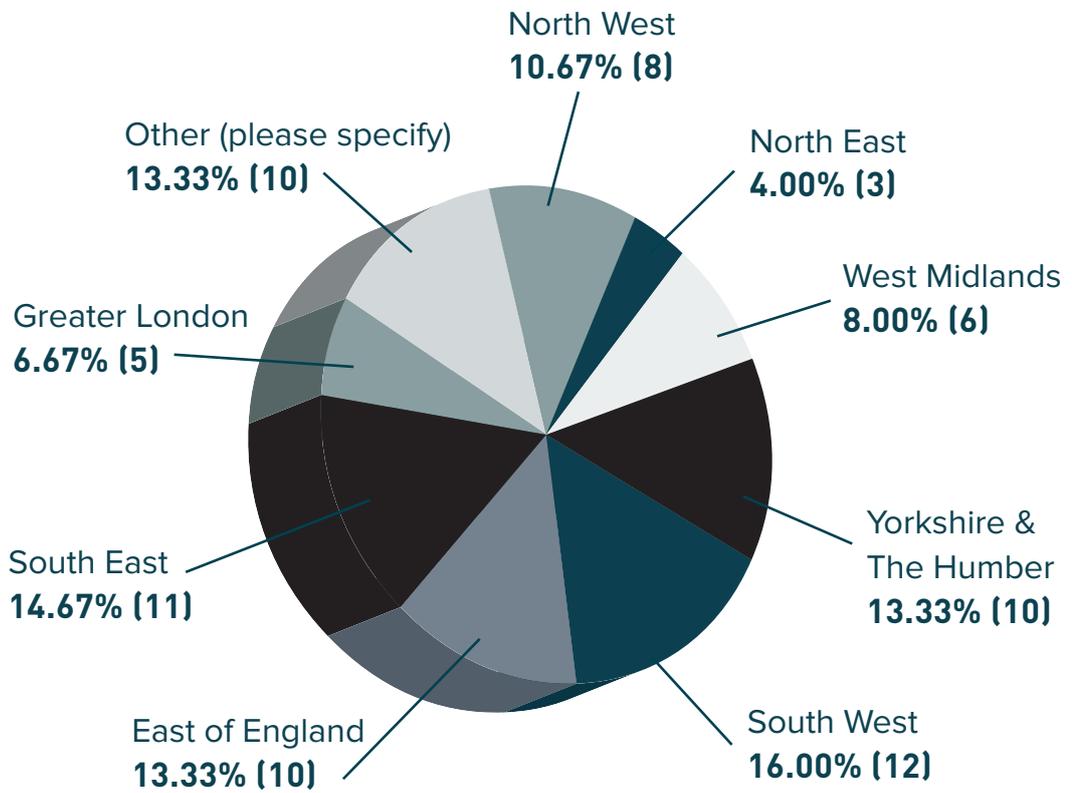
*The Government has pledged to increase the number of apprenticeships to 3 million by 2020, but with skills shortages starting to appear in every sector of the economy this looks like a conservative ambition. The leaving age problem raises serious questions over its ability to hit even this target without investing in a serious careers advice programme, which it is currently refusing to do.”*

**Steve Nash - IMI CEO**

# RESULTS

# Q1

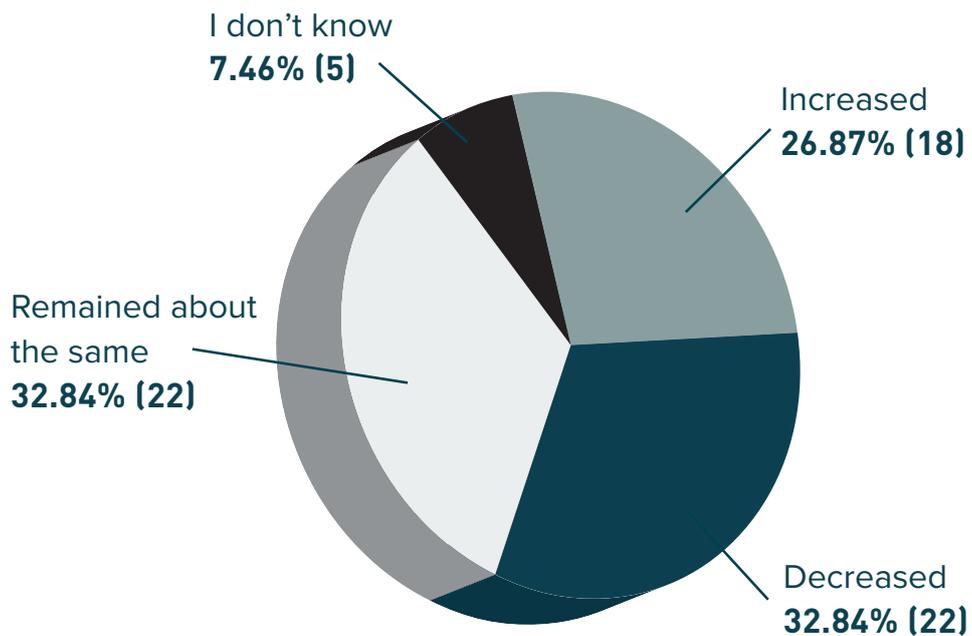
IN WHICH REGION DOES YOUR CENTRE RESIDE?



# RESULTS

## Q2

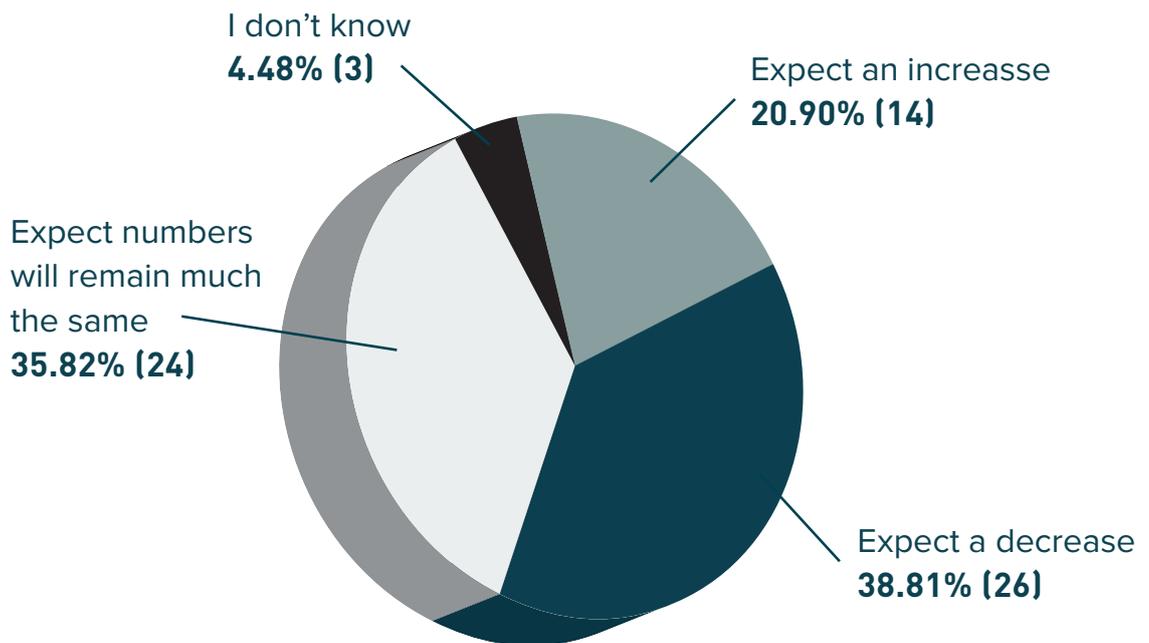
BASED ON LAST YEAR, HOW HAS THE NUMBER OF AUTOMOTIVE TECHNICAL APPRENTICESHIPS CHANGED IN YOUR CENTRE?



# RESULTS

## Q3

IN YOUR OPINION, WHAT EFFECT WILL THE POST 16 REFORM HAVE ON NEW APPRENTICE NUMBERS IN YOUR CENTRE?



### COMMENTS

“Schools will want to keep those students with good GCSE grades who have the entry criteria for apprenticeships. This will result in lower qualified students seeking apprenticeships so availability and delivery of Functional Skills will be vital if these students are to succeed.”

“Whilst I expect an increase in our company I do not consider this indicative of the general trend. We are early in our journey as a business so are going from a relatively low number in the first place but I do know that we are finding less young people with the relevant prerequisite grades are coming forward for selection.”

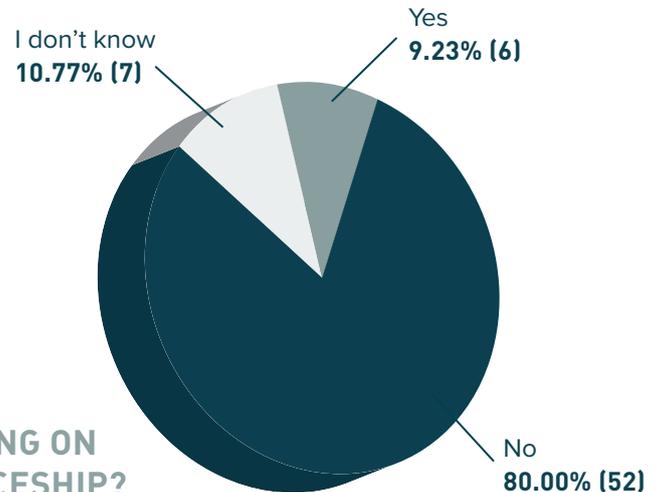
“School students I believe will be ill informed of their career choices whilst still at School; i.e. Schools’ will obviously persuade / coerce their students to stay on at School rather than allowing impartial advice on a 16 year old’s career options that are available to them.”

“I have instances of parents persuading their sons not to take an apprenticeship but stay in education so that they can continue to claim benefits.”

# RESULTS

## Q4

**DO YOU BELIEVE CAREERS ADVICE AND GUIDANCE OFFERED TO YOUNG PEOPLE IN SCHOOLS PROVIDES A BALANCED CHOICE BETWEEN STAYING ON POST 16 OR SEEKING AN APPRENTICESHIP?**



### COMMENTS

“School careers advisers are not aware of the educational/ technical level required for a career in the modern motor industry. “

“Many schools do not now have a dedicated careers adviser based within the school, I feel that the progression advice given to learners is often poor and is more often biased towards academic routes such as 6th form and university.“

“My experience of post 16 students is that they are still being ‘guided’ down the motor vehicle route based on a poor academic ability. This has and will continue to make the motor industry struggle to recruit apprentices who truly understand the need for academic ability as well as practical skills. Whoever is conducting the advice and guidance at pre 16 need only to look at the vehicle they drive and ask themselves this simple question, Would I let this student work on my car?, if the answer is no then do not ‘guide’ them towards working in a garage, if the answer is yes then please seek the advice of your nearest motor vehicle training provider to offer more targeted advice to the students.”

“I believe the advice given will be aimed at keeping students at school in order to maximise their own funding.“

“My daughter has recently completed 6th form (year 13), and a concern of mine was that the school had been pushing colleges and apprenticeships too much in an attempt to “offload” the learners they did not want progressing into 6th form. “

“My impression is that schools have a distorted view of the motor industry in that it is primarily for males of lower ability and careers advice tends to reflect this. A-C GCSE grades or Functional Skills Level 2 are a requirement of the apprenticeship framework.”

“Careers advice to young people is poor. Academic learners are steered towards A-levels and 6th forms. Learners who are not academic are often steered towards apprenticeships. I believe we are doing these learners a disservice. Often it is the academic learners who thrive in apprenticeships and the less academic who need to stay in the full time learning environment.“

“I believe that young people are being encouraged to stay at school until they are 18. Personal experience here has shown that schools are promoting the idea that if a student stays at school and attains A levels this might broaden their opportunities. I don't think careers feature significantly enough in secondary school therefore young people and their parents make a judgement based on only their limited knowledge at this point in the young person's journey.”

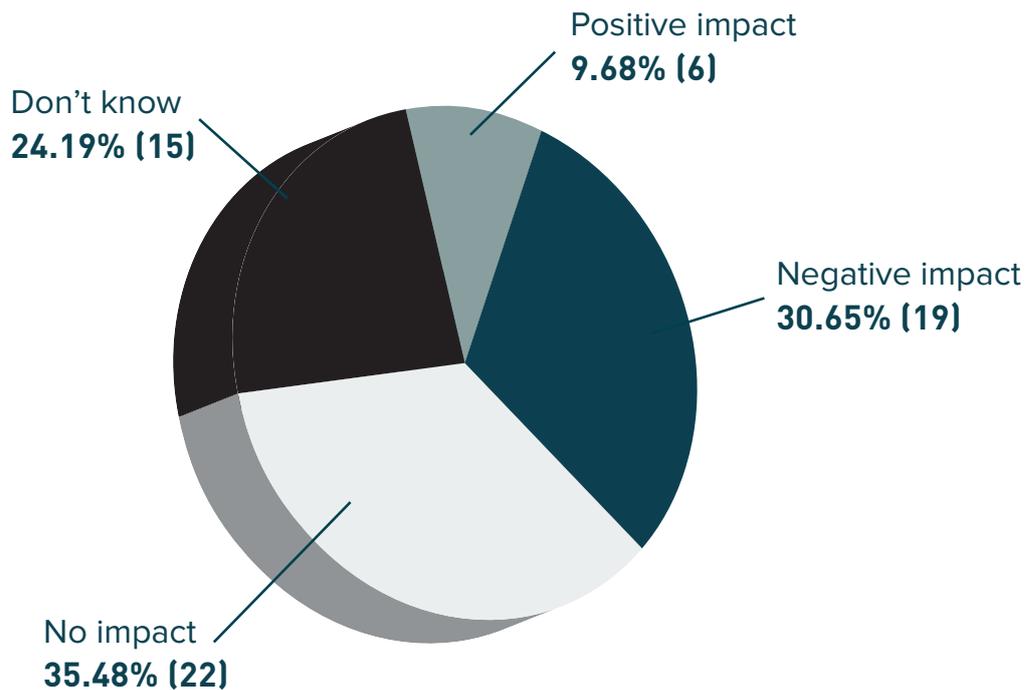
“Students who have come to us inform us that the schools have tried to keep them at school to do six form than do apprenticeships. There was no mention from Career Advisers about apprenticeships and even parents have said the advice was all about school, as they needed to stay in education. We all know it is about money from the schools due to Government policy and the schools are just hanging onto the students for that reason. This is not for the benefit of the students and the longer term benefit of SME employers.”

“Careers advice clearly is aimed at retaining students at schools until they reach the age of 18. The answer to beat this unfair advantage schools have over all other FE Colleges & Training Providers lies within the County Councils. County Councils being forced to publish and make freely available data on students (year 11) would enable all students to receive full coverage of all offerings available to them, including vital information on.“

# RESULTS

## Q5

DO YOU BELIEVE THE CAREERS ADVICE AND GUIDANCE OFFERED TO YOUNG PEOPLE BY THE NATIONAL CAREERS SERVICE HAS ANY IMPACT ON APPRENTICE RECRUITMENT?



### COMMENTS

“We have not seen any potential apprentices enrol or enquire about apprenticeships as a result of the NCS. Most apprentices we work with in the small independent sector have got jobs either through family or word of mouth.”

“It’s very poor and seems to have little knowledge of apprenticeships. Careers advice is at best patchy and leaves some considerable room for improvement. This may be a regional issue but I suspect it’s wider than that.”

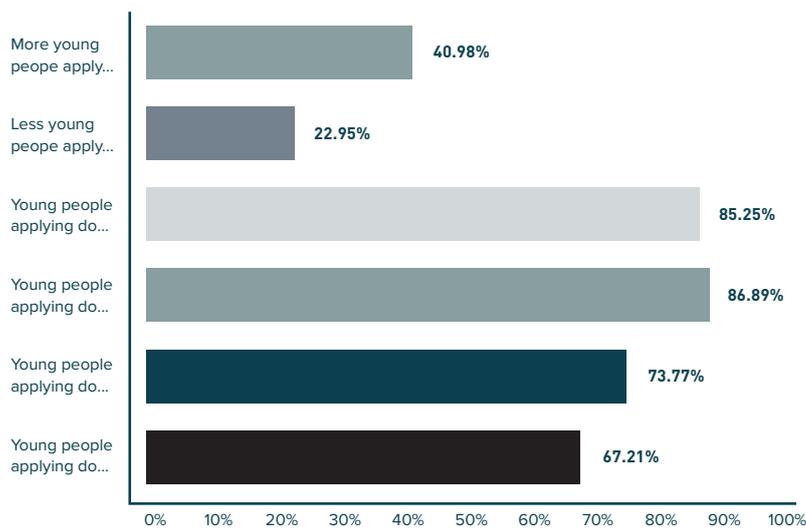
“There is little evidence that this happens in our area. I think we completely lost effective impact in guidance when the Government dissolved Connexions.”

“We do not know what guidance is given but all indications show the Heavy Vehicle industry is poorly served..“

# RESULTS

## Q6

WHAT FACTORS MOST CONCERN YOU AS A CENTRE REGARDING THE NUMBER AND QUALITY OF APPRENTICES? TICK ALL THAT APPLY.



### COMMENTS

“With schools now doing everything to keep learners on at school and put them through as many level 2 or level 3 qualifications based around “bums on seats” and the selection of learners they do not want in main stream school, the problems are getting worse. The employers I have spoken to would rather employ migrant workers that will turn up on time and have a good working attitude to work and learning.”

“Learners are not usually equipped with grades needed. It seems the onus of FS delivery is down to us as the schools are failing to deliver basic grade C or equivalent FS grades. Not many applicants have the hunger to be a technician. Those who do will do well. The pay of our industry will attract poor quality learners. Until we pay properly, and perhaps introduce licencing to work on vehicles - to enhance the image of our industry at least, we will attract lesser achievers.”

“Most young people I come in contact with want an apprenticeship but many exclude themselves from the opportunity due to personal failings, such as the importance of regular attendance, punctuality, problem solving and, most of all, the ability to undertake research and self-study.”

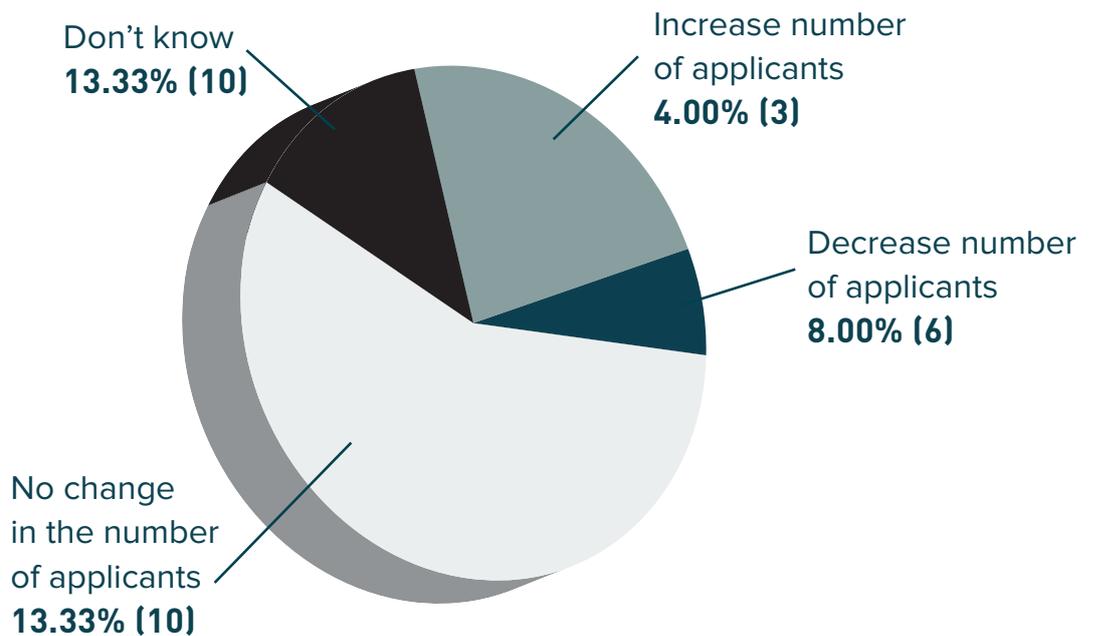
“To complete an apprenticeship especially level 3 is a challenge for even the most able. More must be done to recruit the correct learners into motor vehicle and to give them career progression and progression to higher level courses. The motor trade no longer needs grease monkeys we need highly educated and skilled technicians.”

“Schools, for the most part, are still under the impression the apprenticeships are for those without academic abilities - another example of poor careers advice.”

# RESULTS

## Q7

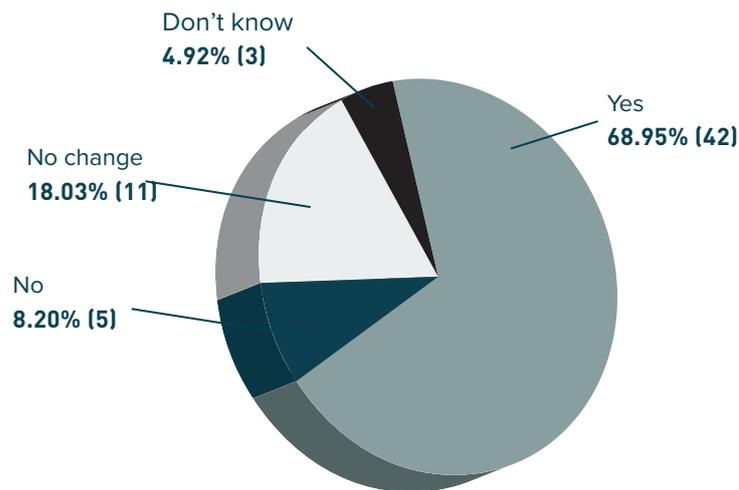
IN OCT 2015 THE APPRENTICE MINIMUM WAGE WILL INCREASE BY 20% TO £3.30. WHAT EFFECT DO YOU BELIEVE THIS WILL HAVE ON THE NUMBER OF YOUNG PEOPLE SEEKING AUTOMOTIVE APPRENTICESHIPS?



# RESULTS

## Q8

DO YOU BELIEVE THAT MORE YOUNG PEOPLE WOULD BE ENCOURAGED INTO AUTOMOTIVE APPRENTICESHIPS IF THE APPRENTICE MINIMUM WAGE WAS THE SAME AS THAT FOR EMPLOYED 16 TO 17 YEAR OLDS AT £3.87?



### COMMENTS

“A general increase in the minimum wage up to £4.00 an hour is needed to generate more interest in becoming an apprentice within the motor trade.”

“In reality, garages are paying the equivalent of a small bottle of screen wash per hour. The potential return on investment a good, well paid apprentice can give doesn’t seem to be a contributory factor by the employers. If the pay was better, the applicant would be better, the industry image would be enhanced.”

“We need diagnostic capability and good thought processes from our learners and not 4 quid an hour monkeys. Vehicles are at a technical level similar to aeroplanes. The pay needs to reflect this.”

“Supermarket work and other low skilled employment offer better wages than is currently available with little or no requirement for study. As a teenager, this may be preferable to working in a garage and having to gain qualifications.”

“The apprentice minimum wage is scandalous. It is often a big barrier to many young people seeking apprenticeships. Why would someone who has achieved highly at school go into a job paying £3.87 / hour. Many families are no longer able to support their children on this wage.”

“An apprenticeship should pay more than a job in a burger outlet. So many leave to work on unskilled jobs as it pays better. I have some students that work at weekend and earn more than their apprentice wages.”

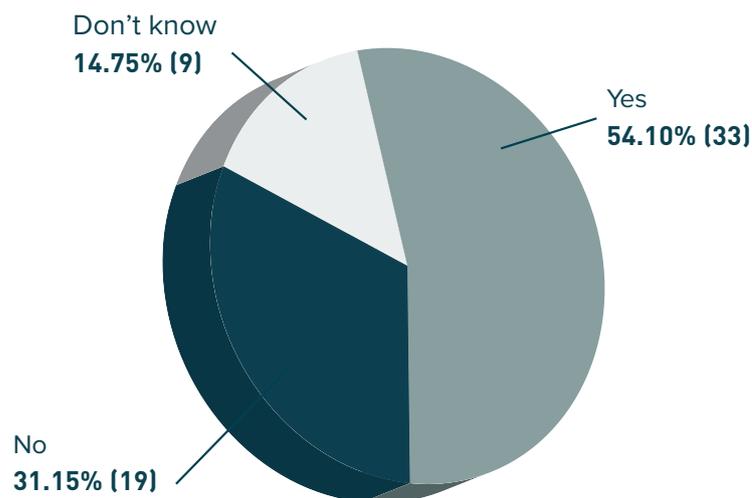
“A young person will either want to work in this industry, or won’t. I don’t think a few pennies per hour will make a difference to any candidate who can see just a little way into the future, and realise just how much they can gain from an apprenticeship.”

“In many cases the family of an apprentice age 16 will enter hardship due to the loss of benefits. I have known students turn down apprenticeships due family budget pressures. 16 to 18 apprentice income should not effect family benefits.”

# RESULTS

## Q9

DO YOU THINK THE AUTOMOTIVE SECTOR WILL BENEFIT FROM THE NEW GOVERNMENT PLEDGE TO ADD AN ADDITIONAL 3 MILLION APPRENTICE STARTS ACROSS ALL SECTORS BY 2020?



### COMMENTS

“This pledge is likely to lead to more unsuitable candidates being placed on apprenticeships. The government should look to drive up standards of apprenticeships by increasing FE funding, increasing the apprentice wage, and putting more pressure on employers to support apprentices in the way they should be. I believe these measures would lead to a massive increase in apprentices because every 16yr old school leaver would want one.”

“Focus should be on 16-18, closely followed by 19-24. This is due to the need to gain GCSEs grade C and learners may have to have several years in gaining this at a college or training provider. Employers need to have some control of funding to enable them to have an apprentice and invest the time with them, especially SMEs, where there is not always the opportunity for a permanent position after the apprenticeship has finished.”

“Where will these students come from as they are not here now. With Government policy as it is, students and schools are focused on higher education. When the students come out at 19+ SMEs have to pay greater wages because of their age. This is putting employers off recruiting younger students as they keep telling me they would rather employ a semi skilled person who is mature and can earn them some money.”

Institute of the Motor Industry  
Fanshaws,  
Brickendon,  
Hertford SG13 8PQ

✉ [enquiries@theimi.org.uk](mailto:enquiries@theimi.org.uk)  
☎ +44 (0) 1992 511 521  
🐦 @the\_IMI  
🌐 [theimi.org.uk](http://theimi.org.uk)

