

# THE GHOST OF PROVISIONS PAST: HOW CAN THE GOVERNMENT MAKE A SUCCESS OF FOUNDATION APPRENTICESHIPS?

A REPORT TO THE GATSBY FOUNDATION

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GATSBY

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TO REALISE HIS CHARITABLE OBJECTIVES.  
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WE ARE PROACTIVE IN DEVISING PROJECTS  
TO ACHIEVE OUR AIMS. WE ARE ENTHUSIASTIC  
ABOUT SUPPORTING INNOVATION. WE ARE  
ANALYTICAL AS WE BELIEVE IT IS IMPORTANT  
TO UNDERSTAND THE OPPORTUNITIES  
AND PROBLEMS WE TACKLE. WE TAKE A  
LONG-TERM VIEW AS WE DO NOT THINK MUCH  
CAN BE ACHIEVED BY SHORT, ONE-OFF  
PROJECTS. WE ARE ALWAYS EAGER TO FORM  
PARTNERSHIPS WITH ORGANISATIONS WHO  
SHARE OUR GOALS.

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**DISCLAIMER**

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## EXECUTIVE SUMMARY

In autumn 2024, the Prime Minister announced plans to reform the apprenticeship levy into a “growth and skills levy”<sup>1</sup> that will fund some non-apprenticeship training, including new foundation apprenticeships.

While we are now starting to get details about the design and funding of foundation apprenticeships, recent informal engagement with colleagues has also suggested they will:

- be designed to provide learners with a taster of work and have a sharp focus on employability skills
- be focused on 16 to 24 year-olds and those in vulnerable groups
- be shorter than full apprenticeships
- span more than one occupation in a given sector
- include a simplified end-point assessment.

The history of pre-employment and Level 2 employability skills training programmes in this country is chequered, at best. While, in its latter years, Train to Gain did secure substantial numbers of learners, the programme was widely criticised for the level of dead weight<sup>2</sup> incurred.<sup>3</sup> More recently, while there was good evidence of their impact, traineeships failed to scale up.<sup>4</sup>

Given this history, we completed significant desk-based research and engagement with colleagues across the sector – including those leading sector representative bodies, colleges, independent training providers (ITPs) and community partners – to explore what it would take for a new foundation apprenticeship programme to really work.

Through our research and engagement, we have developed a series of recommendations we believe could enable foundation apprenticeships to play a meaningful and valuable role, without compromising or undermining the apprenticeship brand and programme.

We are especially concerned by this issue, because we believe there has been sustained pressure on the apprenticeship brand over the last 10 years, since the introduction of the levy and the significant shift toward higher-level apprenticeships and older learners. The meaning of the term ‘apprenticeship’ has now shifted away from what most people originally understood it to be.

Our conclusions are as follows:

- While there is a strong case for government to create a new pre-employment programme, particularly one focused on young people, we are cautious about the merits of foundation apprenticeships given the displacement<sup>5</sup> and dead weight risks.

1 Department for Education (DfE) (September 2024) *Prime Minister overhauls apprenticeships to support opportunity*.

2 In this report, ‘dead weight’ is used to mean the losses caused by the inefficient allocation of resources.

3 NAO (July 2009) *Train to Gain: developing the skills of the workforce*.

4 Dorsett, R., Gray, H., Speckesser, S. and Stokes, L. (June 2019) *Estimating the impact of traineeships: final report*. A report to the DfE, National Institute of Economic and Social Research and Institute for Employment Studies.

5 In this report, ‘displacement’ is used to mean the risk that employers and providers replace full apprenticeships with foundation apprenticeships.

- The government needs to develop a distinctive and compelling identity for foundation apprenticeships that resonates with the target learners and employers. This identity should be used by place-based partners, providers, employers and others to engage learners. By not using the apprenticeship brand and instead creating this distinct identity, the government can build targeted promotional campaigns around the specific needs, preferences and aspirations of the intended learner groups.
- The employment and training needs of the government's stated industrial strategy sectors make it unlikely that foundation apprenticeships would be effective in these sectors. Their value will more likely be in sectors with high-volume employment at lower educational levels, such as care and hospitality. One major beneficiary of foundation apprenticeships will be construction, with £40m of government investment already announced.
- Experience from previous programmes, most notably traineeships, suggests that it will be challenging to secure the quantum and quality of employer involvement required for any pre-apprenticeship provision to scale up and support progression into apprenticeships and/or sustained work. The Department for Education's (DfE) evaluation of traineeships highlights that limited employer awareness, weak engagement and the difficulty of securing meaningful work placements significantly undermined these programmes and made them commercially unattractive to providers.<sup>6</sup>
- We recommend that the government invest in a substantive, holistic piece of work exploring how it might encourage (or require) employers to provide high-quality work placements to support learners across the range of programmes it offers, including T Levels and foundation apprenticeships.
- Mayoral combined authorities and other place-based bodies with devolved powers and funding have a crucial role to play in stimulating learner engagement and employer support.
- Colleges and ITPs will need to work incredibly closely with local Jobcentre Plus, health and community partners to identify and engage young people and adults who could benefit from a foundation apprenticeship programme.
- For foundation apprenticeships to add value as a work-based programme, they will need to be clearly and distinctly different to apprenticeships and other programmes with a significant work-based component – particularly given recently announced plans to enable some apprenticeships to be completed in eight months.<sup>7</sup>
- Foundation apprenticeships should be focused on new entrants rather than those who have worked in the occupation for some time and for whom a 'full' apprenticeship should continue to be the main progression pathway where required for career progression and/or skills development.
- Foundation apprenticeships should be aligned to specific occupations and based on the relevant occupational standards so they provide learners with a direct progression pathway – most likely an apprenticeship – including appropriate recognition of prior learning.

6 Dorsett, R., Gray, H., Speckesser, S. and Stokes, L. (June 2019) *Estimating the impact of traineeships: final report*. A report to the DfE, National Institute of Economic and Social Research and Institute for Employment Studies.

7 DfE (February 2025) *10,000 more apprentices as government slashes red tape to boost growth*.

- If they are to prepare learners to enter and progress in the workforce, foundation apprenticeship programmes should include support to develop both core and essential skills. Wherever possible, these should be embedded in the delivery of sector/occupational content.
- If they are to support progression for learners who are disengaged and disadvantaged and/or learners with additional needs, foundation apprenticeship programmes will need to include substantial wraparound support to build and sustain learners' engagement.
- Providers should have the flexibility to deliver foundation apprenticeship programmes that take from three to eight months. This will allow for intensive models that lead directly to specific employment opportunities, but also for more general designs that may involve multiple employers.
- The funding rate and incentive mechanisms for foundation apprenticeship programmes must reflect both the acute challenges associated with delivering such programmes but also encourage providers to deliver the outcomes required for the overall programme to be successful.
- The DfE has started making announcements on the design, delivery and funding of foundation apprenticeships, meaning that providers and employers could begin to use these new programmes in the autumn.
- In reality, we expect that it will take some time for providers, employers, place-based and community partners to consider whether and how they might use these new programmes, build them, and then secure the level of learner and employer engagement required to scale up the programmes.
- Only by learning lessons from the past and positioning foundation apprenticeships effectively in the overall skills offer – nationally and regionally – will government set them up for success.

## INTRODUCTION

In September 2024, in his speech at the Labour Party Conference,<sup>8</sup> the Prime Minister, Keir Starmer, confirmed that government would go ahead with plans to reform the apprenticeship levy into a “growth and skills levy”. New foundation apprenticeships and the prospect of shorter apprenticeships in some sectors were also announced.<sup>9</sup>

The history of work-focused and work-based programmes aimed at lower educational levels and hard-to-reach learners is chequered, at best. The most recent pre-employment programme, traineeships, delivered fewer than 200k learner starts<sup>10</sup> between 2013 and 2023 – many fewer than hoped for when they were first announced by the then minister, Matt Hancock.

This piece seeks to learn the lessons from traineeships, Skills Bootcamps, Train to Gain and other relevant programmes from the past to form a considered, operationally astute view of the role foundation apprenticeships might usefully play in the skills system, and how we can ensure their success in a challenging operating context.

## WHAT DO WE KNOW ALREADY?

In May 2025, details of the first foundation apprenticeships were released. We understand that a good deal of operational policy work is still to be done for them to launch in August 2025, including changing the legislation to allow for the courses to take less than 12 months to complete.<sup>11</sup>

In her speech at the Association of Employment and Learning Providers conference in November, Skills Minister Jacqui Smith said:

*... foundation apprenticeships will give more young people a foot in the door, supporting clear pathways into work-based training and employment and supporting the pipeline of new talent that employers will need to deliver sustained economic growth.*<sup>12</sup>

From newly released information and recent discussions with colleagues, we understand that foundation apprenticeships will:

- be designed to provide learners with a taster of work and have a sharp focus on employability skills
- be focused on 16 to 24 year-olds and those in vulnerable groups, including care leavers
- be shorter than full apprenticeships, i.e. no longer than eight months
- have content based on the relevant apprenticeship standards
- span more than one occupation in a given industry sector

8 The Labour Party (September 2024) *Keir Starmer speech at Labour Party Conference 2024*.

9 DfE, Prime Minister's Office, Starmer KCB KC MP, Rt Hon Sir K. and Phillipson MP, Rt Hon B. (September 2024) *Prime Minister overhauls apprenticeships to support opportunity*.

10 For data from 2013/14 to 2018/19 see DfE (November 2019) *Traineeship starts*. For data from 2019/20 to 2022/23 see GOV.UK (accessed 2025) *Explore education statistics: create your own tables – apprenticeships and traineeships – England – 2019/20 to 2022/23*.

11 Camden, B. (2025) *First list of foundation apprenticeships published*. *FE Week*, 19 May 2025.

12 DfE reported on FE News website (7 November 2024) *Skills Minister Jacqui Smith sets out vision for skills reform*.



- include a simplified end-point assessment.

While the above provide a wireframe, there clearly remains a great deal to play for in the design of foundation apprenticeships. The rest of this report focuses on the operational policy, market positioning, programme design, funding and operational practices needed for their success.

## WHAT SHAPED OUR THINKING?

Since the turn of the year, we have been thinking about the things that will need to be true for foundation apprenticeships to be a success and to not negatively impact or undermine the wider apprenticeship programme and brand.

While we believe there is a place for focused provisions that reach and support learners who may not otherwise participate and progress through education and training, whether an apprenticeship or otherwise, there are issues and risks to be managed. History suggests that there are real risks of displacement and dead weight – creating a provision which burns sparse resources without adding the value required, while damaging the overall apprenticeship brand.

To that end, we conducted extensive desk-based research on predecessor provisions and programmes including the Kickstart Scheme, traineeships, Train to Gain and Skills Bootcamps. In doing so, we explored the learner groups they were designed to support, how successful they were, how they were structured, their curriculum focus, how they engaged employers, how they supported progression and the outcomes they delivered.

Having reflected on and synthesised these insights, we engaged with colleagues across the sector, including sector representative bodies, training providers, employers and others with first-hand experience of working with the learner cohorts that we expect will be the focus of any foundation apprenticeship offer.

## WHAT ARE OUR CONCLUSIONS?

Through the work described above, we developed a considered view of the things that we believe will need to be true for foundation apprenticeships to be a success and to not negatively impact the wider apprenticeship programme and brand. Some points are relevant to both provisions, while others are more important to one or the other. A small number are relevant only to one.

### DEAD WEIGHT AND DISPLACEMENT RISK

**While there is a strong case for government to create a new pre-employment programme, particularly one focused on young people, we are cautious about the merits of foundation apprenticeships given the displacement and dead weight risks.**

The Office for National Statistics (ONS) estimates that between October and December 2024, 987k (13.4%) of young people (aged 16 to 24) were not in education, employment or training (NEET), including 542k young men, and 445k young women.<sup>13</sup> This is the highest figure since autumn 2013 and represents a steady increase since the pandemic.

<sup>13</sup> ONS (released 27 February 2025) *Young people not in education, employment or training (NEET)*.

Successive governments have failed to introduce and/or successfully implement skills measures to address the NEET challenge. Traineeships produced a mixed picture. DfE's evaluation found that they did deliver clear, measurable benefits for participants: learners who completed were significantly more likely than a matched comparison group to progress into sustained employment, further learning or an apprenticeship. Specifically, 29% of learners progressed to an apprenticeship, and 57% progressed to further learning within 12 months.<sup>14</sup>

The issue was that the traineeship programme failed to meet take-up targets and scale up. They supported fewer than 200k learner starts, and never more than 25k in a single academic year between their introduction in 2013 and abolition in 2023.<sup>15</sup> The DfE evaluation suggests that lack of employer awareness and engagement with traineeships, and the challenges of securing the necessary work placements made traineeships unattractive to providers and held the programme back from scaling up.

Skills Bootcamps suffered a similar fate, supporting only 18k starts in 2021/22 and 42k starts in 2022/23.<sup>16</sup> In both years, approximately 5.4k of the total starts were training to drive HGVs – which screams dead weight. In 2022/23, only 27.7k learners completed their programmes and 15.5k reported positive outcomes,<sup>17</sup> which raises real questions about quality and impact. Despite this, the government has committed to further construction-focused Skills Bootcamp places in a bid to improve capacity in the sector.<sup>18</sup>

As with traineeships, DfE evaluation of Skills Bootcamps<sup>19</sup> pointed to challenges with employer awareness, engagement and involvement, particularly with large organisations. Not least for these reasons, providers have found them operationally challenging – making them less attractive.

Providers we spoke to reported significant difficulties with learner and employer engagement, specifically employers not being aware of pre-employment programmes and not understanding their benefits.

Many businesses, especially small to medium-sized enterprises (SMEs), are unaware of programmes. Without a national campaign, providers have had to invest heavily in promotion, making engagement a heavy lift and, in some cases, an insurmountable one. Some have now stopped delivering the programmes altogether because they were unable to guarantee interviews with quality employers offering real opportunities.

Even when aware, employers expect a clear return before committing. Concerns over wage costs, retention risks and initial productivity loss make many hesitant. Providers stressed that wage subsidies had to better reflect these risks. For SMEs, the administrative burden of hiring apprentices remains a major barrier.

14 Dorsett, R., Gray, H., Speckesser, S. and Stokes, L. (June 2019) *Estimating the impact of traineeships: final report*. A report to the DfE, National Institute of Economic and Social Research and Institute for Employment Studies.

15 Edge Foundation, London School of Economics and Praxera (August 2024) *Traineeships in England: lessons from the past and perspectives for the future*.

16 DfE (November 2024) *Explore education statistics: financial year 2022-23 Skills Bootcamps starts*.

17 DfE (November 2024) *Explore education statistics: financial year 2022-23 Skills Bootcamps completions and outcomes*.

18 HM Treasury (March 2025) *Spring statement 2025 (HTML)*.

19 DfE (updated December 2024) *Evaluation of Skills Bootcamps: wave 2 implementation report*.

High and rising NEET numbers mean that there is, without doubt, a strong case for the introduction of new pre-employment and entry-to-employment provisions<sup>20</sup> designed to reach and support disengaged young people to progress toward and into work. Although history suggests that any new provision will need to be carefully designed and delivered to mitigate foreseeable material concerns.

We are particularly concerned about three risks. The first is displacement – that employers and providers replace full apprenticeships with foundation apprenticeships if, for example, they deem their duration and funding levels to be more attractive than full programmes. Great care will be required to ensure that learners' needs and progression are supported.

While providers and employers routinely – and not unreasonably – shy away from operationally and commercially unattractive programmes, the converse is also true. If foundation apprenticeships are perceived as an easy alternative to full apprenticeships, particularly at Level 2, we expect foundation provision to replace Level 2 apprenticeships. Government must design this risk out of the provision from the outset.

The second related risk is that of dead weight. This will be a serious risk if, as seems likely, foundation apprenticeships are positioned as Level 2 programmes, where there has been a history of poor quality and low value programmes, like Train to Gain.

Train to Gain ran from 2006 to 2010 and supported over 1.4m learner starts – including more than 800k in 2008/09 alone.<sup>21</sup> Learners typically pursued a full Level 2 or Level 3 qualification through the programme. Following a rule change in 2008, learners who already held a full Level 2 qualification were allowed to pursue a second through Train to Gain, fully funded.

A 2009 National Audit Office (NAO) evaluation<sup>22</sup> of the Train to Gain service concluded that the original learner targets set for the programme were unrealistic, that half of the employers whose employees received training would have arranged similar training without public subsidy – so as much as half of the training funded through the programme would have happened anyway.

Again, government will need to make conscious design decisions to mitigate the risk of dead weight, looking at, for example, eligibility requirements, recognition of prior learning arrangements, curriculum coverage and the proportion of programme content that should be accredited. A clear set of eligibility requirements can feel like a silver bullet for dead weight from the policymakers' perspective, but our own operational experience tells us that the tighter and more nuanced those requirements are, the harder it is for providers to identify and enrol learners, which in turn limits a programme's ability to grow.

The aspiration for the scale of the programme should match the size of the target cohort – in other words, the programme should be as large as the problem it is trying to solve. At the same time, it also needs to be large enough to attract and sustain provider engagement. The design should enable training providers to

<sup>20</sup> Pre-employment programmes are structured interventions designed to support individuals to become work ready. They typically target those who have not yet been able to find or sustain employment by providing employability skills development or functional skills training. Entry-to-employment programmes are targeted at individuals who are closer to the labour market and ready to engage in more substantive work-related training, such as a placement.

<sup>21</sup> House of Commons (January 2010) *House of Commons Committee of Public Accounts. Train to Gain: developing the skills of the workforce. Sixth report of the session 2009-10.*

<sup>22</sup> NAO (July 2009) *Train to Gain: developing the skills of the workforce.*

build commercially viable provision, ensuring their continued participation and investment in the programme.

The third risk relates to branding. We are deeply concerned about the extent to which the apprenticeship brand has already been stretched and strained over the last decade through a combination of policy decisions, quality concerns and declining participation. The introduction of new provisions that appropriate the brand, but which would not meet most lay citizen's understanding of an apprenticeship, could be the straw that breaks the brand's back.

## IMPORTANCE OF STRONG AND DISCRETE IDENTITY

**The government needs to develop a distinctive and compelling identity for foundation apprenticeships that resonates with the target learners and employers. This identity should be used by place-based partners, providers, employers and others to engage learners.**

For foundation apprenticeships to succeed they need to be positioned so that they engage learners who would not otherwise enrol on a full apprenticeship, they need to secure support for placements and job roles from employers and be commercially viable for providers.

The government's track record of developing compelling brands and engagement campaigns is patchy, at best. Skills for Life was a huge success in the late 1990s and early 2000s, supporting over 5.7m adults to improve their maths, English and/or ICT skills and achieve a recognised qualification.<sup>23</sup> The gremlins<sup>24</sup> and, the less well remembered, hands<sup>25</sup> campaigns were funded and executed on a scale perhaps not seen outside of apprenticeships themselves.

They included a combination of high-profile TV, radio and print activity, as well as providing substantial toolkits which could be used by colleges, ITPs and other partners to engage directly with the target prospective learner audience. The Skills for Life advice line was contacted by 300k people as a result of the campaign, and 26% of them went on to take up learning opportunities. By 2006, public recognition of the campaign stood at 93%, and by 2008, when government had invested £26m in the gremlins campaign, total contacts had risen to 350k.<sup>26</sup> The combination of 'air' and 'ground' game strikes us as particularly important, and also rare, for skills programmes apart from Skills for Life and, more recently, apprenticeships.

The apprenticeship programme provides similar case studies showing the merits of combining genuinely high-profile national campaigns with practical resources that providers and partners can use to support direct engagement with employers and prospective learners. One example is the £5m Fire It Up campaign. It received criticism about impact because of the cost of the campaign, but when it was launched in January 2019, just 14% of young people told the DfE they were considering an apprenticeship and by September that had risen by 71% to 24%.<sup>27</sup> Genuinely high-profile national campaigns can and do positively impact awareness among prospective learners and should not be ruled out because of past failures.

23 NAO (June 2008) *Skills for Life: progress in improving adult literacy and numeracy*.

24 BBC News (18 August 2003) *New drive against learning 'gremlins'*.

25 History of Advertising Trust (March 2008) *Skills for Life commercial: Beryl*.

26 NAO (June 2008) *Skills for Life: progress in improving adult literacy and numeracy*.

27 Whieldon, F. (2019) *Early win for DfE's £5m apprenticeship marketing campaign*. FE Week, 6 September 2019.

However, given the current fiscal context, it is unlikely that the government will be in a position to invest in the scale of campaign activity that has successfully raised engagement in the past. It is therefore more important than ever to focus on well-targeted, locally led interventions to key audiences; combined authorities will play a key role in making this feasible and effective.

We would argue that this combination is the blueprint. Traineeships show the risks if the government does not invest in a substantial awareness-raising effort that creates 'cover' for those ground-game activities. Traineeships failed to attract the number of learners needed, not least because they failed to register with employers.

The 2019 Employer Skills Survey found that "approaching half (45%) of employers reported that they were aware of traineeships, although around two-fifths (43%) of those aware (equivalent to 20% of all employers) did not know anything more than the name." Only 3% of employers had had somebody undertake a traineeship within the previous 12 months.<sup>28</sup> Even for a programme so cannily named with a strong sense of apprenticeship adjacency, we should not be surprised by low levels of awareness and engagement given the DfE invested only £1.2m in traineeship marketing and public relations<sup>29</sup> in 2014, while the programme was in its infancy.

The Kickstart Scheme was more successful than traineeships through the Covid period in terms of growth, but we should be cautious about what conclusions can be drawn, given the unique operating context. It supported approximately 163k subsidised employment placements for 16 to 24 year-olds, each lasting six months, between autumn 2020 to spring 2022, and led to an 11% increase in participants being in unsupported placements after two years.<sup>30</sup>

The traineeship experience may also suggest that the government should be cautious about the merits of seeking to leverage the apprenticeship brand to create awareness and engagement in adjacent areas. The elegance of the apprenticeship/traineeship nomenclature did not in and of itself foster engagement with traineeships. And, as stated above, we are concerned about the risk of adjacent but unsuccessful endeavours undermining the core apprenticeship brand.

Our strong recommendation would be that government gently row back from the use of the apprenticeship brand with respect to these provisions and instead develop a distinct identity and series of national campaigns that takes as their starting point the target learner group(s) for each provision, their circumstances, preferences and aspirations.

Colleagues we spoke to in preparing this report, particularly those leading colleges and training providers, felt strongly about this point. They favoured a distinct identity for each provision – each focused on the purpose, substance and benefits that the programme would offer to learners and employers respectively.

28 IFF research (November 2020) *Employer Skills Survey 2019: apprenticeships and traineeships*. p.9.

29 Written evidence submitted by the Department for Business, Innovation and Skills and the DfE to the select committee (2014) *AAT0073: Evidence on apprenticeships and traineeships for 16 to 19 year olds*.

30 Department for Work and Pensions (DWP) (October 2024) *Executive summary: Kickstart Scheme: a quantitative impact assessment*.

## RELATIONSHIP TO INDUSTRIAL STRATEGY

**The employment and training needs of the government's stated industrial strategy sectors make it unlikely that foundation apprenticeships would be effective in these sectors. Their value will more likely be in sectors with high-volume employment at lower educational levels, such as care and hospitality.**

The government is currently preparing an industrial strategy designed to deliver certainty, stability and investment in high-growth sectors.<sup>31</sup> Eight such sectors have been identified: advanced manufacturing, clean energy industries, creative industries, defence, digital and technologies, financial services, life sciences, and professional and business services.

Entry into and the majority of employment opportunities in the industrial strategy sectors typically require higher educational levels. For example, in the financial services sector, approximately half of jobs are classified as skill level 4<sup>32</sup> – professional occupations and high-level managerial positions typically requiring a degree or substantial experience – while just 16% are at skill level 2. In the creative industries, only 26% of jobs are classified as skill level 2 and just 7% are skill level 1.<sup>33</sup>

So while industrial strategy sectors offer significant employment opportunities, we believe that because foundation apprenticeships will typically target employment pathways at skill levels 1 and 2, they will have limited relevance as a mechanism of support for the industrial strategy.

Previous and (very) broadly comparable programmes such as the Future Jobs Fund (FJF), Kickstart, traineeships and Train to Gain enjoyed much stronger take-up in sectors that recruited and employed large numbers of people in lower-level job roles – most notably retail and hospitality. Among young people aged 19 to 24, 50% of Level 2 apprenticeship take-up in 2023/24 was in just two sectors: retail; and the health, public services and care sector.

Government should be realistic and clear, about where these programmes may, and may not, scale up and add value. They should design, fund and promote them in a manner consistent with the role they could usefully play. There is a risk that, by trying to use foundation apprenticeships to support industrial strategy sectors, the government positions them in a way that prevents take-up in sectors where they could add value for employers and learners.

One example of an industrial strategy sector that foundation-level apprenticeships could support is in parts of the professional and business services sector. Customer-facing roles in banks, contact centres and offices require transferable skills like customer service, communication and teamwork, which could be well-served by a foundation apprenticeship. Providers should work closely with employers to design programmes that build a steady talent pipeline and create clear progression routes.

31 Department for Business and Trade (November 2024) *Invest 2035: the UK's modern industrial strategy*.

32 According to the Standard Occupational Classification 2020 (SOC2020) ONS (updated January 2023) *SOC 2020*.

33 DfE (September 2024): *Explore education statistics: calendar year 2024 occupations in demand*.

## CHALLENGES OF EMPLOYER ENGAGEMENT

**Experience from traineeships and T Levels suggests that it will be challenging to secure the quantum and quality of employer involvement required for any pre-apprenticeship provision to scale up and support learner progression into apprenticeships and/or sustained work.**

Our working assumption is that any pre-apprenticeship provision will include a work experience placement, whereas foundation apprenticeships will be jobs with training. It seems highly unlikely, given implementation timescales, that the government will consider the third, special employment status seen in some other nations for trainees and apprentices,<sup>34</sup> although we believe this warrants exploration for wider and longer-term policy.

Securing high-quality work placements of any kind, let alone those with a realistic prospect of a job with training at the end of them, has for many years been an acute challenge across the full spectrum of skills and employment programmes. Colleges and providers work incredibly hard to secure and support work placements of varying durations and designs, while consistently falling short of the number of placements required to fulfil programme specifications. As already detailed, this was one of the principal reasons that traineeships failed to scale up.

The current economic context will likely make the challenge even more acute. Employers in high-volume and low-margin sectors are deeply concerned about the impact of the recent increase in national insurance costs and are reducing both permanent and temporary positions to bring their business plans back in order. The most recent Recruitment and Employment Confederation (REC) *Report on Jobs*, covering the period to February 2025,<sup>35</sup> showed a further dip in permanent placement and temporary worker investment, with the seasonally adjusted index reflecting a reduction in job vacancies for the sixteenth consecutive month. Notably, permanent vacancies declined at a slightly sharper pace than temporary roles, with the permanent placement index at 43.6 and the temporary billings index at 45 – both crucially below the 50 ‘no change’ line.

We should expect that organisations struggling to balance the books will be less, not more, likely than ever to have the appetite or the capacity to provide quality work experience placements where and when they are needed to support learners’ experience and progress. This, in itself, risks placing a ceiling on the scale and impact of any foundation apprenticeship offer.

We strongly believe that this is not an issue the government can address on a programme-by-programme basis. Indeed, seeking to do so – however unconsciously – risks making the situation worse, as competing employer engagement efforts can create confusion that undermines the total number of placements employers would support if they were engaged with in a coherent and prioritised manner.

34 Swiss Federal Authorities (August 2024) *Vocational education and training*.

35 S&P Global (March 2025) *Report on jobs*. A report to the REC and KPMG.



## EXPLORATION INTO ENCOURAGING HIGH-QUALITY WORK PLACEMENTS

**We recommend that the government invest in a substantive, holistic piece of work exploring how it might encourage (or require) employers to provide high-quality work placements to support learners across the range of programmes it offers, including T Levels and foundation apprenticeships.**

There is an opportunity for the government to think entrepreneurially about this as it finalises its approach to apprenticeship levy reform. It could, for example, include incentives in levy rules to drive the provision of placements across the whole 16 to 24 phase.

Whether through levy rules or other means, we should be sceptical of any view that this time the marketing will deliver the outcomes without previously unused levers being pulled. One such lever might be investment in a national and/or regional effort to engage the nation's largest employers and coordinate the provision of work placements, rather than leaving colleges and training providers to engage with local branches.

When we worked with Barclays on their traineeship programme, it scaled nationally because we secured senior buy-in. That gave us the mandate to roll-out placements and apprenticeships across retail, contact centres and head office roles. The same approach could work in finance, banking, construction, retail and hospitality: the government should actively secure commitments from major employers to provide quality placements and apprenticeships.

The other obvious option to explore would be some form of wage subsidy. Policymakers have traditionally been reluctant to explore wage subsidies, presumably because of the high risks of labour market distortion and dead weight, except for in extreme circumstances, such as the financial crisis and the pandemic, through the FJF and Kickstart programmes respectively. While context is king in both cases, numbers and outcomes were strong.

Many of the colleagues we spoke to felt strongly about the importance of government action to support and incentivise employers to provide the quantity and quality of placements required to make the programmes a success.

Several suggested financial incentives, in the same vein as those announced recently for the construction sector.<sup>36</sup> We recommend that a holistic piece of work is needed to establish a clear, prioritised view of the things government wants employers to do and how they can best be incentivised to do them.

Several argued that government needs to 'de-risk' the recruitment of young people for employers, most likely through wage subsidies. Others felt that more could be done centrally, whether by government or other actors in the system, to secure and broker employers' provision of placements for these and other critically important provisions.

<sup>36</sup> HM Treasury and Reeves MP, Rt Hon. R. (March 2025) *Government unleashes next generation of construction workers to build 1.5m homes*.



## THE ROLE OF PLACE-BASED BODIES AND DEVOLUTION

**Mayoral combined authorities and other place-based bodies with devolved powers and funding have a crucial role to play in stimulating learner engagement and employer support.**

Government is increasingly and, in our view, rightly devolving powers and funding to places to reach and support disengaged and/or disadvantaged young people and adults, most notably and substantially to mayoral combined authorities, recently renamed strategic authorities in the English devolution white paper.<sup>37</sup> The government has recently announced that six new areas have been confirmed to join the “Devolution Priority Programme”, bringing the total population under mayoral devolution close to 80% of the country.<sup>38</sup>

Almost all colleagues leading place-based policy and commissioning activities are acutely focused on the integration and sequencing of employment, health, skills and other services to improve citizen outcomes and in the development and delivery of hyper-local services that reflect, resonate with and leverage community realities and partnerships.

For example, the West Yorkshire Combined Authority recently published a work, health and skills plan focused on reducing economic inactivity and inequality and improving health by supporting residents with health conditions and disabilities to access or keep good-quality work.<sup>39</sup> This is the sort of integration we have not seen through national commissioning.

The Greater Manchester Combined Authority also recently announced a £10m funding boost for their Live Well mission – a trailblazer grassroots support system aimed at tackling inequalities, improving health and helping people back into work. The initiative will integrate health, wellbeing and employment support at a local level, offering a model of support that is more cohesive and accessible.<sup>40</sup>

Given the likely target audience for foundation apprenticeships, the government will need to do more than it has done for similar programmes to engage devolved authorities in shaping and bringing foundation apprenticeships to life.

The Department for Work and Pensions’ (DWP) evaluation of the Restart Scheme<sup>41</sup> found limited evidence of tailoring by local area, but where tailoring was present, it was often cited as a significant contributing factor to success. The ability of local areas to tailor the scheme was dependent on solid local partnerships and specialised staff.

Although, as we understand it, foundation apprenticeships will be funded through the growth and skills levy, we recommend that funding to support foundation apprenticeships should be devolved to mayoral combined authorities/strategic authorities and other devolved authorities – empowering them to develop clear, coherent plans to engage and support the target audience and to do so in an integrated manner.

37 Ministry of Housing, Communities and Local Government (December 2024) *English devolution white paper*.

38 Ministry of Housing, Communities and Local Government, McMahon OBE MP, J. and Rayner MP, Rt. Hon. A. (February 2025) *Devolution revolution: six areas to elect mayors for first time*.

39 Kada (March 2025) *Work, health, and skills plan*. A report for West Yorkshire Combined Authority.

40 Greater Manchester Combined Authority (November 2024) *10m boost for Live Well plan to tackle inequalities, improve health and help people back into work*.

41 DWP (May 2024) *Restart Scheme: evaluation summary*.

The government will need to work closely with devolved authorities on the commissioning, promotion and delivery of foundation apprenticeships to ensure that they add value to how places approach inclusive growth, service integration and sequencing, and that the risks of displacement and dead weight are mitigated. One provider suggested that foundation apprenticeships should be a nationally recognised programme, yet flexible enough to be adapted regionally to respond to local skills demands and requirements.

## COLLABORATION WITH COMMUNITY PARTNERS

**Colleges and ITPs will need to work incredibly closely with Jobcentre Plus, health and community partners to identify and engage young people and adults who could benefit from a foundation apprenticeship programme.**

We know from our own experience that while national branding and campaign activity can significantly enhance learner engagement with pre-employment and skills programmes, their success or failure will be determined by their ground game – the daily efforts of providers to reach prospective learners. In particular, we recommend that colleges and ITPs:

- work directly with Jobcentre Plus branches to identify individuals who could benefit from foundation apprenticeship programmes: this could best be done through information sharing sessions in branch team meetings and direct discussion with individual advisors about their caseloads, crucially, to be followed by informal discussion with prospective learners
- proactively identify and support young learners (16 to 19 year-olds) who are at risk of becoming NEET, coach them towards their next step and put them forward for a foundation apprenticeship, helping to eliminate the time they might otherwise spend engaging with Jobcentre Plus
- identify and work directly with community and third sector organisations that support and come into contact with prospective learners – to effectively engage and lever value from these relationships, colleges and providers need to ‘take the strain’ and make it as easy as possible for partners to share insights, open their communications and engagement channels, and introduce individual prospective learners
- tap into the typically many and varied existing networks, channels and other forms of community engagement in a given local area – these established networks, which already have a profile, traffic and trust, typically offer much greater returns than those created specifically to engage with prospective learners.

Among the most important of those engagement activities, is the way providers work with colleagues in Jobcentre Plus to identify and initiate conversations with young people and adults for whom a given programme may be the optimal next step.

Government has consistently failed to properly embed the promotion of pre-employment and entry-to-employment skills training programmes into the core processes of Jobcentre Plus and employment programmes commissioned by DWP, such as the Work Programme and Restart. Without system-level integration, it is left to individual providers to build working relationships with individual Jobcentre Plus branches and employment programme provider locations and advisors.

We should not underestimate how individual-centred this is. Often it is a matter of individual learner engagement experts in colleges and ITPs forging relationships with individual Jobcentre Plus branches and local-level employment programme provider teams and the individual colleagues in them, i.e. the very definition of ground-game activity.

This is an incredibly inefficient, time consuming and costly reality that has undermined learner numbers in previous programmes, including not least because it makes them very difficult and therefore unattractive for providers to deliver compared to other programmes for which learners can more readily be identified, engaged and enrolled. The nature and level of outreach activity we describe and recommend above requires material investment from providers and real determination from their teams to identify and enrol eligible learners.

In this context, there is value in exploring the co-location of complementary services in a single, accessible setting. Recent research on the co-location of National Careers Service provision in FE colleges noted that strong working relationships between National Careers Service managers, advisers and college staff was crucial to ensure the partnership was mutually beneficial for all involved.<sup>42</sup>

DWP's evaluation of the Restart Scheme noted the importance of good communication between Jobcentre Plus and providers in shaping participants' experience, particularly at key points in the scheme, such as at the start and during points when they were at risk of disengaging. It found that:

*The relationship was generally good and had improved over time but varied between different providers and JCPs [Jobcentre Plus branches]. There were clear factors that helped a positive relationship, including consistency of staff, single points of contact and providers regularly visiting JCP sites.<sup>43</sup>*

Ninety-eight per cent of Restart Scheme providers reported having received what they considered to be "unsuitable" referrals from Jobcentre Plus, and 87% reported that they would have liked more frequent communication with Jobcentre Plus staff.<sup>44</sup>

These issues are, in our and our colleagues' experience, much more acute for skills programmes, i.e. those that are not part of the core DWP/Jobcentre Plus approach to supporting the citizens they engage. We hope this changes as place-based bodies take greater control of both employment and skills initiatives. This is an opportunity for them, but it is also a challenge given the current structure, culture and norms of their supply chains.

Put simply, if the government wants these provisions to be a success and attract learners in numbers not seen for other programmes, such as the traineeship programme, a huge ground-game engagement effort will be required, principally for colleges and providers. The government should play its part in making that difficult task as easy as possible by making sure Jobcentre Plus and the providers of the new Connect to Work programme<sup>45</sup> play their part. Connect to Work providers will need to collaborate closely with integrated care boards, Jobcentre Plus, GPs, mental health providers, refuges, charities, probation services and others

42 Julings, M. and Wilson, P. (June 2024) *National Careers Service and further education co-location research*. A York Consulting report to the Gatsby Foundation.

43 DWP (May 2024) *The evaluation of the Restart Scheme*. p.7.

44 DWP (May 2024) *The evaluation of the Restart Scheme*. p.91 and p.116.

45 DWP (updated February 2025) *Connect to Work*.

to ensure a holistic support system for those most in need. Given the recent reforms proposed to the eligibility age of the health element of Universal Credit, this challenge is particularly pertinent and crucial for ensuring that young people are given opportunities to succeed.<sup>46</sup>

## MAKING FOUNDATION APPRENTICESHIPS DISTINCTLY DIFFERENT

**For foundation apprenticeships to add value as a work-based programme, they will need to be clearly and distinctly different to apprenticeships – particularly given recently announced plans to allow some apprenticeships to be completed in eight months.**

Government recently announced that, from August, it would allow the minimum duration of some apprenticeships to be reduced to eight months, once relevant legislation has been changed.<sup>47</sup> Identifying which apprenticeships will be eligible for the shorter length will be a decision taken by Skills England.

The potential reduction in the minimum duration of full apprenticeships in some areas risks leaving a short and thin landing strip for foundation apprenticeships to scale while adding real value.

As discussed above, the obvious risk – which history suggests is fairly highly probable – is that employers, particularly those in sectors that have not been allowed to shorten the duration of full apprenticeships, use foundation programmes instead of full apprenticeships. It strikes us as unlikely that their doing so will benefit learners' development or progression.

We consider this to be a significant risk because employers have time and again shown that when they can, they will focus government (and/or levy) funded activity on their own, short-term requirements over the medium- and long-term outcomes the government is seeking for learners. For example, more than 50% of those paying the apprenticeship levy admitted to repurposing existing training activities into apprenticeship programmes in order to reclaim their levy allowance, despite more than half of employers believing that the primary purpose of apprenticeships should be to support young people to enter the workplace.<sup>48</sup>

The government therefore needs to be incredibly clear, in detailed policy, programme design and rules, funding and compliance regimes, about what foundation apprenticeship programmes are and are not, and where they should and should not be used. Given the landing strip for success, this will be incredibly challenging to define and implement.

<sup>46</sup> DWP (March 2025) *Pathways to work: reforming benefits and support to get Britain working green paper*.

<sup>47</sup> DfE (February 2025) *10,000 more apprentices as government slashes red tape to boost growth*.

<sup>48</sup> Chartered Institute of Personnel and Development (May 2024) *New research highlights need to 'reclaim' apprenticeships for young people and for skills levy to boost training across the economy*.

## TARGETING NEW ENTRANTS FOR FOUNDATION APPRENTICESHIPS

**Foundation apprenticeships should be focused on new entrants, rather than those who have worked in the occupation for some time and for whom a full apprenticeship should continue to be the main progression pathway.**

Given some of the employer and provider behaviours we have seen with Train to Gain and the pre-levy phase of the apprenticeship programme, the government should be very concerned about the risk of employers and providers swapping from Level 2 apprenticeships to foundation apprenticeships – particularly for their existing employees.

The risk of similar behaviour will be particularly acute if foundation apprenticeships curriculum coverage is substantial enough that an employer focused on their short-term pressures (not unreasonable in the current economic context), might be tempted to consider that a foundation apprenticeship is 'enough' and use them instead of, rather than as a structured bridge into, a full apprenticeship.

The government could do two complementary things to mitigate this risk and maximise the value of foundation apprenticeships. First, it could use eligibility criteria to focus on new entrants. This could include stipulating that learners can only enrol on a foundation programme if they have been in their current job role for, say, 13 weeks or less and do not already hold a qualification at Level 2 or above in the relevant occupational area.

Second, it could – consistent with our other recommendations – design them and the curriculum they cover to address barriers to engagement and progress, and create a bridge into apprenticeships, without making them so long and substantial that they could reasonably be considered an alternative to an apprenticeship at Level 2 or 3.

This may require some nuance in the model in sectors and occupations where there is not an apprenticeship offer at Level 2. In these cases, foundation apprenticeships could sensibly be more substantial programmes, for instance, by including more occupational content such that they prepare learners to successfully bridge into apprenticeships at Level 3.

The critical underlying consideration here should be to preserve full apprenticeships as the principal preferred and recommended work-based progression pathway for learners and with it, to preserve the value they create for the learner, employer and UK plc.

## ALIGNMENT WITH SPECIFIC OCCUPATION AND PROGRESSION PATHWAYS

**Foundation apprenticeships should be aligned to specific occupations and based on the relevant occupational standards so they provide learners with a direct progression pathway – most likely an apprenticeship – including appropriate recognition of prior learning.**

It follows from the above that government should develop foundation apprenticeships on the basis that they will not be relevant or required in all sectors and occupations. They should not be introduced in sectors or occupations where existing entry and progression pathways are working well, for instance, from the perspective of number of learners, attainment and outcomes.

The risks of foundation apprenticeships displacing other programmes, dead weight, productivity and growth impacts will be most acute where foundation apprenticeships are introduced to solve a problem which does not exist in the relevant sector/occupation, for example, in finance, where the majority of jobs are at Level 3 and above. Where they are introduced, the content of foundation apprenticeships should be directly based on the occupational standards on which the apprenticeship standard for the relevant occupation is based.

While this alignment is essential for both the value of foundation apprenticeships and the cohesion of the overall skills system, careful consideration needs to be given to how learning completed and competence developed through the foundation programme is recognised when learners progress to a full apprenticeship.

There is a risk that established mechanisms for recognising prior learning on enrolment to full apprenticeships would mean programmes being shortened to a level that is not permitted under current full apprenticeship funding rules – even where minimum durations are shortened to eight months.

In these circumstances, we do not believe that skipping the full apprenticeship and instead going directly to the next level of full apprenticeship would be a credible solution, because of the importance that learners cover the whole requirement at one level before they can competently and confidently progress to the next. This is particularly important given the likely composition and needs of the foundation apprenticeship cohort.

Employer engagement, understanding and behaviour are crucial on this point. Employers should be encouraged to embrace foundation apprenticeships where they provide structured entry points to apprenticeships, particularly for young people and those furthest from the labour market. We must ensure they understand that learners will very likely also need to complete the full apprenticeship to become competent and to progress.

One sector where foundation apprenticeships could work well is construction, which has significant challenges in filling entry and apprenticeship-level roles. Foundation apprenticeships in construction could be designed to include site-critical units from relevant full apprenticeships – particularly those about individuals' safety on site.

Employers would then feel more confident when recruiting these learners into permanent roles or full-time apprenticeships. Any knowledge, skills, and behaviours developed during the foundation apprenticeship should be mapped to the full apprenticeship framework to encourage a smooth transition for learners. This approach would not only address the skills gap in the sector but also make the foundation apprenticeship a meaningful step towards career progression.

There being a substantial overlap in the content of foundation and full apprenticeships – while demonstrably sound from a curriculum perspective – may disincentivise providers from supporting foundation programmes. For instance, we expect providers to be hesitant to recognise learning obtained with another provider given their accountability for end-point assessment outcomes across the whole standard. For further discussion see the [Effective Funding and Financial Incentive Mechanisms](#) section of this report.

## EMBEDDING CORE AND ESSENTIAL SKILLS

**If they are to prepare learners to enter and progress in the workforce, foundation apprenticeship programmes should include support to develop both core and essential skills. Wherever possible, these should be embedded in the delivery of sector/occupational content.**

Foundation apprenticeships should include support for learners to develop their core skills – maths, English and digital – and their essential skills – communication, self-management, creative problem-solving and collaboration.

The government recently announced that it would no longer require adult learners on full apprenticeship programmes to enrol on or complete functional skills qualifications to finish their apprenticeship.<sup>49</sup> Learners aged 16 to 18 will still be required to complete functional skills qualifications at the relevant level.

The government needs to consider what the requirement should be for 16 to 18 year-olds and adult learners on foundation apprenticeship programmes, given these changes for full apprenticeship programmes, to ensure the overall proposition stacks up.

We would recommend that learners be required to develop their maths and English skills through these programmes, but not necessarily by enrolling on or completing a formal functional skills qualification.

Colleagues interviewed from the third sector, with extensive experience of working with NEET and learners with special educational needs and disabilities (SEND), supported our view. Developing maths and English skills should be a critical component of a foundation apprenticeship programme, but formal qualification completion should not be a requirement. One colleague stated: “Maths and English are important, but ... contextualise it, don’t have formal requirements”.

Particularly given the likely composition of the learner cohorts, robust and insightful initial assessment will be crucial – enabling providers to establish learners’ current level of competence and what support they will need to develop their skills.

49 DfE (February 2025) *10,000 more apprentices as government slashes red tape to boost growth*.



Wherever possible, core and essential skills delivery should be embedded in occupational learning activities and resources, including work experience. Evidence is clear that this boosts engagement, progress and attainment. An example of this is the warehousing and logistics sector. The nature of the work is highly structured and process-driven, making it an ideal setting for embedding core skills into occupational activities. For example, learners could engage in tasks such as calculating the number of pallets required for item packing – integrating core skills into everyday work activities. This not only directly supports learners' maths and English development but also makes learning more relevant, engaging and connected to the tasks learners will encounter.

Employers should be actively engaged in supporting the design, development and delivery of embedded core and essential skills content, resources and learning activities that resonate with learners and use the occupational context to support core and essential skills development.

### NECESSITY OF WRAPAROUND AND PASTORAL SUPPORT

**Particularly if they are to support progression for learners who are disengaged and disadvantaged and/or learners with additional needs, foundation apprenticeship programmes will need to include substantial wraparound support to build and sustain learners' engagement.**

If they are to support 16 to 24 year-olds, including those in vulnerable groups, as a bridge toward full apprenticeship programmes and other positive destinations, it is essential that foundation apprenticeships address the wider support needs of participants, including their personal and social development.

We should assume – indeed, hope – that the foundation apprenticeship cohort will include a substantial number of learners with diagnosed and/or undiagnosed additional learning and support needs, and those with SEND.

While this is a potential positive of these programmes, its implications must be directly reflected in their design and funding if they are to effectively support these learners and realise the potential benefit. For example, this will mean directly addressing known barriers to engagement in learner attraction and enrolment efforts, working with Jobcentre Plus and others, ensuring that programmes do not undermine learners' benefits and childcare entitlements, providing practical support to learners for travel, and additional classroom and workplace support for learners who need it.

This will be crucial for providers and for employers. From our experience of delivering traineeships, we know that providers will need to offer substantial, practical and timely advice and support to help employers play their part in the successful delivery of programmes that support hard-to-reach learners and those with additional needs.

We would also note that, more than is the case for a full-time or full apprenticeship programme, a substantial amount of this type of support needs to be provided as part of the upfront engagement and enrolment phase. This means that dedicated resources – and their associated costs – are required before learners are clear, confident, willing and able to enrol.



## FLEXIBLE DURATION MODELS

**Providers should have flexibility to deliver foundation apprenticeship programmes with durations ranging from three to eight months. This will allow for intensive models that lead directly to specific employment opportunities, but also for more general designs that may involve multiple employers.**

Government has not yet made a public commitment on the length of foundation apprenticeship programmes, however, the first seven foundation apprenticeships to be announced are all eight months.<sup>50</sup> We understand that they may be between three and eight months, but not longer than that, given the recently announced changes to the duration of full apprenticeships in some sectors/occupations.

Our argument – that foundation apprenticeships should be long enough and substantial enough to enable learners to bridge into a full apprenticeship, but not so long and substantial that they be considered an alternative to them – suggests a typical duration at the lower end of that range. Colleagues we spoke to, including those in colleges and ITPs, favoured short, sharp foundation apprenticeships, with the most commonly suggested length being three months.

Our experience of leading two large traineeship provisions showed that an intensive, short programme was most effective for learners. It enabled us to overcome retention issues and build learners' confidence while working toward accreditations and a work experience placement that included a guaranteed job interview on completion. Sixty-five per cent of learners secured positive outcomes.

Where the programmes were longer than 12 weeks, it was because we were securing and then supporting the most appropriate work experience placements for learners, rather than because we delivered classroom-based elements of the programme over a longer period.

While we advocate for an intensive approach, we would recommend that the government allows for foundation apprenticeship programmes ranging from between 8 to 16 weeks. This will enable different colleges and ITPs, working in different places and working with employers in different industry sectors, to design programmes that reflect their needs and use partners' capabilities to best support learners.

## EFFECTIVE FUNDING AND FINANCIAL INCENTIVE MECHANISMS

**The funding rate and incentive mechanisms for foundation apprenticeship programmes must reflect both the acute challenges associated with delivering such programmes but also encourage providers to deliver the outcomes required for the overall programme to be successful.**

We firmly believe that traineeships had the potential to deliver impact at scale if they had been sufficiently attractive to providers, both on their own merits and compared to other programmes and commercial opportunities they could choose to focus on.

Colleagues involved in the delivery of employment programmes commissioned by DWP, for example, the Work Programme and Restart, routinely report that there was/is insufficient funding to support delivery of substantive skills interventions – and therefore to support progression once in work.

50 IfATE/Skills England (accessed May 2025) *Apprenticeships – foundation apprenticeships*.

In the current fiscal context, it seems unlikely that government will want or be able to fund any new programmes more generously than we have seen for previous programmes focused on similar target audiences. This is genuinely problematic given what we know of the learner engagement and support effort required, along with the risk that rational providers choose not to engage given the commercial implications of those delivery requirements.

Beyond the overall funding rate – particularly given the above assumption that rates will not be particularly generous – the government will need to optimise the funding model and rules for foundation apprenticeships to maximise provider participation, quality and outcomes.

We would recommend that a funding premium is applied where learners have been NEET for more than, say, 26 weeks, as a proxy recognition of the need for additional effort to engage and support such learners and in an effort to minimise dead weight.

However, care should be exercised. If a material proportion of the funding required to engage learners and deliver the programme is based on the delivery of outcomes, we believe there is a particularly high risk of providers not engaging with the programme type for reasons previously described.

## SO WHAT?

Given all that we have said, what might a successful foundation apprenticeship programme look like? Although one of our core points is the need for flexibility for places, providers and employers, we have sketched what a successful model might look like for the construction sector:

Crucially, the programme design and engagement strategy must recognise how much is being asked of employers – many of whom are already navigating a complex post-16 landscape that includes T Levels, bootcamps and apprenticeships. We therefore recommend developing personas or decision-support tools to help employers understand which programme best fits their needs and to support greater engagement across the full suite of options. For example, the Education Landscape materials developed with employers provide an index of education engagement activities and summarises the benefits these offer for business.<sup>51</sup>

Identity, marketing and learner engagement might include:

- A construction sector-specific campaign, within the architecture of a national foundation apprenticeship brand (preferably not using the term apprenticeship). This could be linked to, for example, opportunities for young people connected to the government's housebuilding mission.
- Personas/toolkits provided to colleges and ITPs to help directly reach prospective learners. Platforms like TikTok, Instagram and YouTube should be used to showcase real-life success stories and interactive content, which may be adapted from existing apprenticeship campaigns if the budget is constrained.
- Local provider partnerships that engage across Jobcentre Plus, schools, colleges and community organisations to introduce construction careers. Bursaries, travel allowances and free personal protective equipment are provided to remove barriers to entry and support learners from diverse backgrounds.

<sup>51</sup> The Education Landscape (accessed May 2025) *Get to know the education landscape*.

Under that banner, employer engagement should look as follows:

- Large national construction employers commit at a senior level to providing foundation apprenticeship placements, both directly and across their supply chains. Regional providers engage with site teams to secure placements.
- Employers actively shape the curriculum to align with current and future industry needs, ensuring relevance to specific qualifications and occupational standards.
- Employers commit to ring-fencing apprenticeship vacancies for foundation apprenticeship learners to guarantee progression opportunities. The government provides financial incentives, such as £2k per retained apprentice.<sup>52</sup>

Programme design includes:

- Work experience as a key component. Training focuses on core construction skills (for example, bricklaying, carpentry, electrical work), health and safety, soft skills (teamwork, communication) and includes maths and English in a practical, embedded context.
- Learning that combines classroom lessons, on-site work and digital resources to build the skills needed for the construction sector.
- Learners earn industry-recognised certifications (such as, Construction Skills Certification Scheme cards, Level 1 or 2 qualifications) and gain hands-on experience through placements and masterclasses.

Learner inductions highlight:

- Course objectives, learner expectations and career opportunities in the sector, helping learners understand the pathway ahead.
- Career talks, guest speakers and site visits that give learners insight into industry opportunities.
- Initial assessments that identify learner needs, ensuring tailored support and interventions to help them progress through the programme, with a focus on readiness for onward pathways (either to a full apprenticeship or into employment).

This then supports the ongoing delivery model:

- Where possible, providers of construction foundation apprenticeships can access technical excellence colleges, recently announced by the government to support providers to deliver high-quality teaching and learning.
- The learning approach is blended, combining on-the-job training, classroom-based theory and online modules to offer flexibility and accessibility.
- Employers are directly involved in delivering sessions and masterclasses, covering topics relevant to the industry, such as emerging construction technologies and sustainability.

Wraparound care and pastoral support are provided:

- Each learner has a dedicated, appropriately funded mentor sponsored by the provider. They provide ongoing careers guidance, confidence-building activity and pastoral support, pre- and post-placement.

<sup>52</sup> HM Treasury and Reeves MP, Rt Hon R. (March 2025) *Government unleashes next generation of construction workers to build 1.5m homes.*

- Means-tested government support is provided, covering, for example, transport and meals.

Finally, progression and outcomes are supported:

- Clear career pathways are mapped out and communicated to learners from day one. Step-by-step progression routes from foundation apprenticeships to apprenticeships, higher-level training and career advancement in the construction sector are highlighted regularly. This should be supported by strong careers guidance infrastructure across all provider types, including ITPs, which are now also expected to meet the Gatsby Benchmarks for careers guidance.<sup>53</sup>
- Learners are guaranteed at least to progress to interviews with employer partners. If a learner is progressing to a full apprenticeship, foundation apprenticeship core units are mapped and recognised as prior learning.
- Providers are supported to use performance monitoring and feedback systems to track learner outcomes and continuously improve their provision.

## WHAT NOW?

The DfE has started making announcements on the design, delivery and funding of foundation apprenticeships, meaning that providers and employers could begin to use these new programmes from the beginning of the next academic year.

In reality, we expect that it will take some time for providers, employers, place-based and community partners to consider whether and how they might use these new programmes, build them, and then secure the level of learner and employer engagement required to scale up the programmes.

It will be crucial for the DfE to closely monitor, learn and adjust as required in the early months and years of delivery to ensure that these programmes scale up, play their role and add the value which they could provide – all without undermining the wider apprenticeship brand.

Traineeships offer a crucial lesson. We firmly believe that they represented a sound policy proposition but were abandoned before they had the opportunity to reach their potential. Furthermore, the DfE did not respond to early market data and signals to enable them to scale up, especially in terms of adequately incentivising providers and employers to embrace them.

53 Gatsby Foundation (2024) *Good career guidance: the next ten years*.

## ANNEX

## Summary of relevant programme evaluations

Programme	Evaluation title and link	Date published	Summary
Train to Gain	<a href="#">Train to Gain: developing the skills of the workforce</a>	July 2009	<ul style="list-style-type: none"> <li>• By March 2009, the Train to Gain programme had invested £1.47bn to support employer-focused training for over 1m learners.</li> <li>• The programme faced issues due to overly ambitious targets and inconsistent execution, resulting in lower-than-expected initial participation, underspending and subsequent eligibility adjustments to boost learner numbers.</li> <li>• However, of 554k learners who attained a qualification, many earned their first certification, improving their self-confidence and employment skills.</li> <li>• There were 143k engagements with employers to provide advice on skills training, many of which involved hard-to-reach businesses that had previously offered little or no staff training.</li> <li>• In 2006-07, learner success rates for the largest 100 training providers ranged from 8% to 99%, with a quarter performing below the minimum standard.</li> <li>• The report concluded that, despite benefits for employers and learners, the programme did not provide good value for money over its full duration, as approximately half of the employers would have arranged similar training without public funding.</li> </ul>

Traineeships	Estimating the impact of traineeships: final report	June 2019	<ul style="list-style-type: none"> <li>• Launched in 2013, the traineeships programme aimed to help those aged 16 to 24 in England by providing work placements, training and support to enhance their readiness for apprenticeships or employment.</li> <li>• The programme primarily attracted young people with lower prior educational attainment, with many participants lacking qualifications above Level 2.</li> <li>• Approximately 66% of trainees progressed to either an apprenticeship, further education or employment within 12 months of starting the programme.</li> <li>• Participation in traineeships increased the likelihood of starting an apprenticeship by 20 percentage points compared to non-participants.</li> <li>• The programme had a modest positive impact on employment rates, with a 5 percentage point increase in the likelihood of employment for participants aged 19 to 23.</li> <li>• Traineeship participants were 7 percentage points more likely to engage in further learning activities compared to their peers who did not participate.</li> </ul>
Skills Bootcamps	Evaluation of Skills Bootcamps: wave 2 implementation report	March 2023 (updated December 2024)	<ul style="list-style-type: none"> <li>• The second wave of Skills Bootcamps showed improved delivery compared to wave 1, but challenges remained, including variations in quality across different providers and courses.</li> <li>• Some employers found the bootcamps useful in addressing skills shortages, while others struggled with the format or lacked awareness of the programme, limiting its overall impact.</li> <li>• Many participants benefited from the training, gaining new skills and progressing into employment or better roles. However, the success rate varied by sector, with some bootcamps leading to stronger employment outcomes than others.</li> <li>• Some bootcamps faced difficulties in recruiting and retaining learners, particularly those from disadvantaged backgrounds, suggesting a need for better targeting and support mechanisms.</li> <li>• While bootcamps aimed to align with employer needs, some participants struggled to secure relevant jobs after completing the course.</li> <li>• The evaluation suggested enhancing employer involvement, improving quality assurance, refining recruitment strategies and ensuring a clearer pathway from training to employment to maximise the scheme's impact.</li> </ul>

Skills for Life	Skills for Life: progress in improving adult literacy and numeracy	June 2008	<ul style="list-style-type: none"> <li>• Since 2001, over 5.7m adults have participated in literacy and numeracy courses, with a total expenditure of £5bn.</li> <li>• The Department for Innovation, Universities and Skills along with the Learning and Skills Council exceeded their goals by assisting 750k adults by 2004 and 1.5m by 2007 to achieve basic literacy and numeracy standards.</li> <li>• Progress in numeracy skills was slower than literacy, with numeracy courses attracting fewer participants and resulting in fewer qualifications.</li> <li>• Achievement rates varied across regions. The north-east and north-west had higher success rates, whereas the east of England and London reported lower outcomes in literacy and numeracy achievements.</li> <li>• Spending on English for speakers of other languages (ESOL) courses nearly tripled to £300m annually by 2004, yet demand continued to exceed supply, especially in London.</li> <li>• Teaching workforce qualifications: while the qualifications of adult education teachers had improved, many still lacked relevant certifications for all subjects they taught, with fewer than 10% holding appropriate qualifications across multiple subjects.</li> </ul>
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Future Jobs Fund (FJF)	Impacts and costs and benefits of the Future Jobs Fund	November 2012	<ul style="list-style-type: none"> <li>• The FJF aimed to provide employment opportunities to young people and the long-term unemployed by offering subsidised jobs in sectors with future potential, supporting both participants and employers.</li> <li>• The FJF helped many participants facing significant barriers to the job market secure sustained employment.</li> <li>• Employers reported positive experiences with the FJF, particularly appreciating the financial support it offered and the opportunity to bring in motivated, skilled workers who helped to boost productivity.</li> <li>• The FJF generated a net societal benefit of approximately £7k per participant, reflecting economic advantages such as increased employment and reduced reliance on benefits.</li> <li>• The programme incurred a net cost of around £3k per participant to the Exchequer, taking into account administrative expenses and wage subsidies, but for every pound spent, the Exchequer recouped about 50 pence through increased tax revenues and decreased benefit payments.</li> <li>• The evaluation found that while the programme had a positive impact on employment, it also faced challenges such as inconsistent implementation across regions and sectors. The programme's design was criticised for not always aligning closely with local labour market needs, suggesting that future initiatives should focus on stronger targeting and coordination.</li> <li>• Despite its successes, the FJF was discontinued due to concerns over cost-effectiveness and targeting. The evaluation highlighted the importance of carefully aligning future job creation programmes with long-term labour market needs and more targeted, strategic approaches to employment support.</li> </ul>
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Kickstart Scheme	Executive summary: Kickstart Scheme: a quantitative impact assessment	October 2024	<ul style="list-style-type: none"> <li>• Kickstart aimed to mitigate the long-term effects of unemployment for 16 to 24 year-olds on Universal Credit by offering six-months of 25-hour-per-week subsidised employment opportunities. A total of 163k placements were provided during its operation.</li> <li>• Two years after participation, for every 100 individuals who joined Kickstart, there were 11 additional participants in unsubsidised employment compared to a similar group who did not participate.</li> <li>• At the same two-year mark, there were three fewer participants on Universal Credit for every 100 Kickstart participants compared to non-participants.</li> <li>• The positive effects on employment and benefit reduction were consistent from eight months after the intervention up to two years after; with no evidence of the impact diminishing beyond this period.</li> <li>• The scheme had a more pronounced impact on individuals who typically faced greater challenges in the labour market, contributing to a 'levelling up' effect.</li> <li>• From the Exchequer's perspective, Kickstart returned £0.27 for every pound spent at two years, increasing to £0.49 at five years. When considering all perspectives combined, the return was £1.18 per pound at two years and £3.15 at five years.</li> </ul>
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REC report on jobs	Report on jobs	March 2025	<ul style="list-style-type: none"> <li>• Permanent staff placements have continued to fall, with January 2025 marking the sharpest decline since March 2024. This trend is attributed to economic uncertainties leading firms to pause hiring activities.</li> <li>• Temporary positions have also decreased, experiencing the fastest rate of contraction since June 2020. This reflects a broader hesitancy among employers to commit to new hires in challenging market conditions.</li> <li>• As of February 2025, the rate of starting salary inflation has slowed for the second consecutive month, indicating a cooling in wage growth for new hires.</li> <li>• The north of England has seen the steepest reduction in permanent placements, while the south of England and London have experienced significant drops in temporary posts.</li> <li>• Demand for permanent staff has declined across most sectors, with retail and IT and computing experiencing the sharpest contractions. Temporary roles have seen slight growth only in the blue-collar sector.</li> <li>• Redundancies and reduced hiring have led to an increase in the availability of both permanent and temporary staff, although the rate of growth in candidate availability has slowed compared to previous months.</li> </ul>
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Restart Scheme	Restart Scheme: evaluation summary	May 2024	<ul style="list-style-type: none"> <li>• The Restart Scheme provided up to 12 months of personalised support to individuals who had been unemployed and receiving Universal Credit for 12 to 18 months. The initiative aimed to assist participants in securing sustainable employment.</li> <li>• The DWP contracted eight prime providers across 12 regions in England and Wales. These providers offered tailored coaching and support, collaborating with employers, local stakeholders and support services. Contracts combined fixed delivery fees with performance-based payments tied to sustained employment outcomes.</li> <li>• The evaluation reported that participants who engaged with the Restart Scheme were more likely to enter sustained employment compared to those who did not participate.</li> <li>• The evaluation also highlighted challenges, such as varying participant engagement levels, the need for more tailored support for individuals with complex barriers to employment, and inconsistencies in service delivery across different regions.</li> <li>• The report suggested enhancing personalised support, improving provider performance monitoring and fostering stronger collaborations between providers, employers and local services to address the identified challenges and improve employment outcomes.</li> </ul>
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Connect to Work	Connect to Work	November 2024 (updated February 2025)	<ul style="list-style-type: none"> <li>• Connect to Work is designed to connect work, health and skills support, facilitating sustainable employment for individuals facing significant labour market disadvantages.</li> <li>• The programme is delivered through grants across 43 clusters of local authorities in England and four clusters in Wales. Lead local authorities, serving as accountable bodies, are responsible for designing local offers that are tailored to community needs and priorities.</li> <li>• Greater Manchester Combined Authority and West Midlands Combined Authority funding for supported employment places is incorporated into the new Integrated Settlement from 2025 to 2026, promoting coordinated regional approaches.</li> <li>• In 2026 to 2027, Connect to Work aims to support approximately 100k individuals to secure and maintain employment, focusing on those currently outside the workforce and facing significant employment challenges.</li> <li>• Detailed policy and delivery information is provided to assist accountable bodies and local partners in developing localised Connect to Work offers, to foster alignment with the programme's objectives and support effective implementation.</li> </ul>
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