

# A NOTE ON THIS DOCUMENT

This is an accompanying document to *Join the dots: The role of apprenticeship intermediaries in England*, containing the full literature review and more detailed case studies.

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The full report can be accessed at: <http://www.ippr.org/publications/join-the-dots-apprenticeship-intermediaries>

# 1.

# LITERATURE REVIEW

## INTRODUCTION

This review looks at the international literature on apprenticeship intermediary organisations and bodies, to identify where they exist, what activities they deliver, what impact they have, and how well they address some of the common challenges within apprenticeship systems. The specific challenges in the UK apprenticeship system are summarised elsewhere as part of this project, and will be referred to in this review. Where specific challenges are noted in the literature relating to international examples, these are also mentioned.

There is a limited literature that specifically deals with intermediaries, but they are referred to in broader reviews of, for example, tools to improve the quality of apprenticeships (ILO 2018; Unionlearn 2014; ILO 2020). The majority of the discussion in the literature is descriptive, outlining how intermediaries are structured and what they do, with far less given to assessing how effective they are and why.

Although the details of different countries' apprenticeship systems vary, and the underlying funding, governance, and activities of intermediaries also differ a lot from country to country, there is a lot of consistency in the fundamental *reason* they exist. Primarily, this is to boost the number of apprenticeships that employers create; in some cases there is also an explicit focus on quality.

The literature does not provide a consistent definition of exactly what constitutes an intermediary. In some countries, for example the US, the variety of organisations and roles that fall under the intermediary banner is rather wider than in the UK. In others, such as Germany's chambers of craft and commerce, an organisation might not primarily be an intermediary, but might carry out some of the functions we would recognise as those of an intermediary organisation. For the sake of completeness and to allow for a comprehensive comparison, the review includes all these different models. A longer discussion of definitions and roles follows.

## DEFINITIONS

There is not a single, universally accepted definition of what an apprenticeship intermediary organisation is, or what one does.

In their 2019 report on apprenticeship intermediaries, the ILO defines intermediaries as organisations that:

*act on behalf of, link, are somewhere in between or mediate between the main parties - apprentices and employers... one that undertakes one or more of the following activities: employs apprentices as a third-party employer; trains apprentices as part of a specific arrangement with groups of employers; or undertakes other apprentice support activities on behalf of an employer or a specified group of employers (page iii).*

However, the report also acknowledges that the term can mean different things in different contexts.

In a 2021 report, the ILO uses a different, more succinct definition: “an individual or an entity, other than the host enterprise or educational institution, which assists in the provision, coordination or support of an apprenticeship” (p48).

Broadly, intermediary organisations exist to support and encourage more employers to create more apprenticeships. Where employers do not or cannot create apprenticeships, intermediaries can step in and take on a range of functions, including helping employers to navigate complex systems, administrative tasks, sourcing and/ or providing training, providing support to employers and apprentices during their employment and training, quality assurance, monitoring and assessment of apprentices' learning, or the creation of curricula and training programmes.

Some of the literature defines intermediaries very broadly, as any organisation or grouping of employers, training providers or social partners (unions, trade or craft chambers etc.) that work together on some aspect of apprenticeship design and/ or delivery. In the US, apprenticeship intermediaries are often the main organisation driving the creation of new apprenticeship training programmes, and the key point of contact for everyone involved in work-based learning, as well as bringing partners together to generate more apprenticeship opportunities with employers (Jobs with Justice Education Fund 2017; Education Strategy Group 2019).

For example, US intermediary CareerWise operates in four states, and undertakes a significant amount of work with schools and young people, as well as developing occupational standards, providing training before and during apprenticeships, providing recruitment services for employers, and has Customer Success Managers to support employers throughout the apprenticeship process (Katz, Elliott 2020).

In Germany, Inter-Company Training Centres that provide supplementary training on top of core apprenticeship training are considered intermediaries in some literature, as are Industrial Innovation Centres in Mexico which operate along the same lines as Inter-Company Training Centres (ILO 2019). In Switzerland, Training Agencies are heavily involved in apprenticeship training, having a training manager in the Training Agency, a VET instructor hosted by employers, and providing quality assurance (Michelsen et al 2021). These organisations are all named as intermediaries in the literature.

The UK understanding/ definition of an intermediary tends to be drawn more narrowly than many of the international examples. In an ILO survey (2018) of initiatives to promote apprenticeship quality in G20 countries, the main activities carried out by UK-based intermediaries were identified as:

- engagement events, web content
- case studies
- producing collateral and messaging
- sector-specific communications
- promoting national information services
- social media.

As noted above, this review errs on the side of including examples where they are referred to in the literature as intermediaries, even where they perform a wider range of tasks than they might do in the UK context. This variation is in itself interesting, as it demonstrates the diversity of approaches to the challenge of apprenticeship promotion with employers. It also shows that despite the enormous variety in how each country's apprenticeship system operates, a significant number have deemed it necessary to set up, or at least encourage, some sort of intermediary body.

This may be due to the number of different partners involved in apprenticeships. With occasional exceptions (for example where a large employer delivers all training in-house), an apprenticeship will involve at least three partners: the apprentice, employer and training provider. As this review shows, in many cases there are additional statutory roles carried out by other agencies, bringing the total to at least four. Much of the literature on intermediaries points to coordination, mediation and 'translation' between partners as one of their most important roles. To some extent the three essential partners in an apprenticeship speak different 'languages', using different jargon and being driven by different motivations. It may be that without an intermediary to act between them, creating and delivering apprenticeships successfully is much harder.

It should be noted that this review only covers the literature that *does* discuss intermediaries, and does not include any literature detailing apprenticeship systems in countries without intermediaries. It is therefore not possible to directly compare the impact with and without intermediaries on apprenticeship numbers, quality or impact.

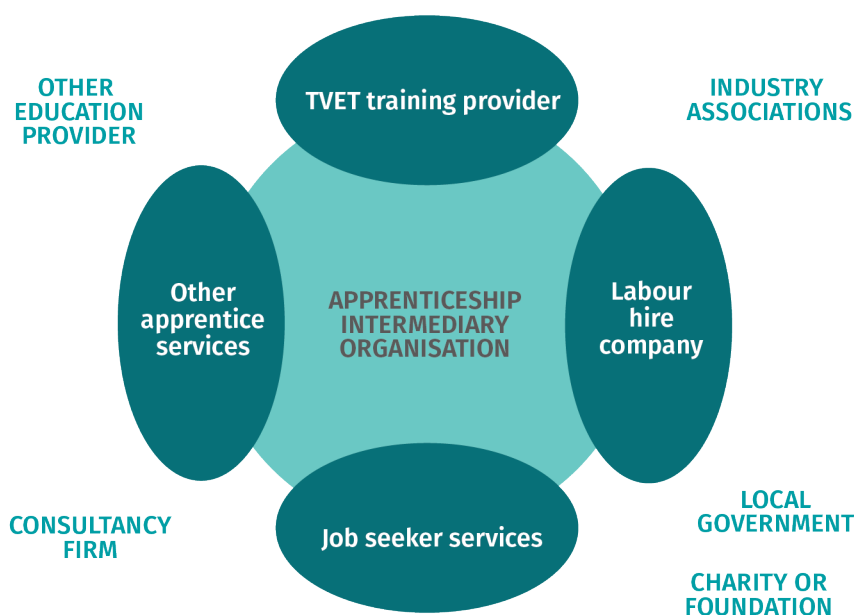
However, it is interesting to note that some of the countries renowned for the quality of their apprenticeships, such as Germany and Norway, are those with well-developed and extensive intermediary support, while their apprenticeship systems and intermediary models remain very different. This suggests that the critical factor may be the existence of some kind of effective intermediary, rather than there being a specific model that is the 'best', as each country's intermediaries must be shaped to fit their overall apprenticeship system.

## WHO SETS UP AND FUNDS INTERMEDIARIES?

Intermediaries can be set up and funded by a range of different entities, including governments (central and local), industry bodies, groups of employers, training providers, broader employment support organisations, or they can be entirely independent. They are often one part of a larger organisation such as a training provider or trade association, although some are standalone organisations (Smith 2021).

This ILO diagram provides a visualisation of some of the different funders, hosts or founders that might exist.

**Figure 1: Potential configurations of intermediary organisations**



Source: ILO 2019

Apprenticeship Training Agencies (ATAs) in the UK were instigated by the government in 2012, and have to be on a national register (ILO 2019). Third party agencies in India appear to be funded through employer contributions, though they may also receive government funding, but this is unclear (ILO 2019). In Norway, Training Agencies have a lot of involvement with central and local government, including on distributing funding, which may enhance their influence and make them central to a great deal of Norwegian apprenticeship activity (Kuczera 2017, 2018; Michelsen et al 2021). The London Progression Collaboration (LPC) in the UK began as a partnership between London’s regional government the Greater London Authority and think tank IPPR, and is currently funded by a mix of grant funders and employer-funded consultancy (Learning and Work Institute, 2021).

Intermediaries may or may not receive funding from the state (ILO 2019), and many have a mixed model of funding, such as Swiss Training Agencies (TAs) that are paid by employers for their services, but not enough to be fully self-sustaining. When they first set up, Swiss TAs receive some state subsidy but this is time limited, so they must look for other funding alongside employer contributions. This might include regional government commissioned activity such as finding apprenticeships for local young people (Michelsen et al 2021). In Germany, employers contribute towards the costs of intermediary services

provided by chambers of commerce or craft, as every registered must belong to and pay fees to a chamber (Cedefop 2018).

Much of the US's federal funding for apprenticeships in the 2010s went to states and other intermediaries in order to increase the number of apprenticeships (Congressional Research Service 2019). Other US intermediaries are partnerships, for example CareerWise, which is a partnership between state government, local employers and philanthropists (Katz, Elliott 2020). In the mid 2010s in the US a large programme of over \$20 million to commission more intermediary support was launched, with a particular focus on healthcare, advanced manufacturing, energy, transportation, construction, insurance and financial services and cybersecurity (Rolland 2016).

A small number of examples exist of philanthropic funding alongside other sources, for example the London Progression Collaboration in the UK, and a number in the US (Education Strategy Group 2019), which combine state funds with grants from philanthropic organisations such as trusts and foundations.

The sources of intermediaries' funding can influence how they are governed and run. Intermediaries with high levels of state funding, such as Norway's Training Agencies, are more dependent on the state and therefore any changes in the apprenticeship system or policy will likely impact the intermediaries' work directly, and could affect their viability. State-funded intermediaries may be, or be seen to be, more of an instrument of government than those with other funds. Intermediaries with significant funding from employers, for example Swiss TAs, must maintain their employer relationships in order to remain viable, so they must focus on providing a service that employers value highly (Michelsen et al 2021).

In some countries or regions more than one type of intermediary might operate alongside each other, either as complementary organisations, or potentially in competition. In Illinois (Richard and Foil 2020), both apprenticeship intermediaries and Regional Navigators exist. Intermediaries are broadly classified, and include industry associations, unions, chambers, community organisations and education institutions; 162 were identified in Illinois. Alongside these, 11 Navigators, funded by federal funds, take a sales-focused approach, building awareness about apprenticeships with employers and being their key point of contact. Successful Navigators are considered to understand workforce development, be skilled at relationship management, and work in collaboration with intermediaries.

## THE INTERMEDIARY LANDSCAPE

### English intermediaries

The majority of English intermediaries fall into two broad types of organisation: those emerging from the public sector, and those linked directly to employers or to some sort of industry or sectoral body. As discussed above, most English intermediaries carry out a relatively narrow range of activities when examined next to some international comparators. English intermediaries mainly focus on encouraging and supporting employers to create more apprenticeships through providing information and practical

support to navigate the system, and to manage the apprenticeship levy which was introduced in 2017.

These activities address some of the major challenges for employers noted in the literature: accessing good quality, appropriate advice and information, and making best use of the levy. Another issue cited in the literature is the availability of suitable apprenticeship standards, particularly for more niche sectors and industries where a dedicated standard may not exist (Learning and Work Institute 2020). English intermediaries do not play a significant role in addressing this, as standard development is carried out elsewhere in the system by employer-led trailblazer groups through the Institute for Apprenticeships and Technical Education (IFATE).<sup>1</sup> There could however be a role for intermediaries to support the creation of new standards by consolidating and passing insight from their contacts with employers to trailblazers.

### Public Sector Intermediaries

**Table 1: Examples of public sector intermediaries and their activities**

Organisation	Type of activity/ service								
	Impartial Advice	Levy transfer support	Identifying training needs	Identifying training providers	Accessing funding	Apprenticeship promotion	Recruitment support	Advice for learners	Bureaucracy support
Liverpool City Region Apprenticeship Support	✓	✓	✓	✓	✓	✓	✓	✓	
Leeds City Region Apprenticeship Support	✓	✓							
Solent Apprenticeship Hub	✓	✓	✓	✓	✓	✓		✓	
London Borough of Newham		✓	✓			✓			✓
Greater Manchester Apprenticeship Hub	✓	✓		✓	✓	✓		✓	✓
London Progression Collaboration	✓	✓	✓	✓	✓	✓			✓
Humber Apprenticeship Brokerage	✓					✓			✓
West Midlands Combined Authority Levy Transfer Fund		✓							
EM3 Apprenticeship Hub	✓	✓	✓	✓			✓	✓	
Lancashire LEP	✓	✓				✓	✓		

<sup>1</sup> See: <https://www.instituteforapprenticeships.org/developing-new-apprenticeships/trailblazer-group/>

*NB: some may no longer be operational. For more detail see Appendix 1*

The Centre for Cities (2017) discusses the role of cities and city regions in the creation and promotion of apprenticeships. They may or may not create a dedicated intermediary organisation, but organisations like councils and Combined Authorities can perform an intermediary role. This might include managing financial incentives, help for employers to navigate the system and find training providers, HR and admin support for SMEs, and general promotion of apprenticeships and their benefits to employers, young people and families.

Two public sector examples of intermediary activity are discussed in an OECD publication (2017) examining methods to engage employers in apprenticeships. City Deals in 2012 and 2013/14 devolved both funding and powers to some city regions, including investment to set up apprenticeship hubs, alignment and integration of National Apprenticeship Service and National Careers Service provision, and allocations of the Apprenticeship Grant for Employers (AGE) (Centre for Cities 2015).

Greater Manchester gained devolved powers over the AGE in 2014, following the funds to set up an apprenticeship hub in 2012 (Clayton and McGough 2015). A central Apprenticeship and Skills Hub, managed by New Economy (an agency owned by the 10 Greater Manchester local authorities) was set up with a £6m budget. It aimed to increase apprenticeship numbers at level 3 and above, and create more apprenticeships with SMEs. The Hub aimed to stimulate employer demand through marketing and communications, civic leadership from the public sector, and through growing employers' capacity. There was also work to improve Information, Advice and Guidance (IAG) for young people, develop training provider capacity through improved market intelligence, and efforts to join up the offer for employers and young people (OECD 2017).

In Leeds, a budget of £6.4m was used to set up eight smaller apprenticeship hubs based around the city region and managed by local authorities or colleges, and two Apprenticeship ATAs (see below for further information on ATAs). Their focus was on SMEs, who were interested in apprenticeships but didn't know how to get started, and were seeking independent advice rather than a sales pitch from one of the 600 training providers in the region. The importance of local knowledge was also key to the offer (OECD 2017).

The different hubs in Leeds carried out a range of activity, including proactive employer engagement, working with youth services to build a flow of candidates, supporting employers with apprentice job design, and providing apprenticeship ambassadors to schools. Over time, the emphasis shifted from employer engagement to boosting candidate numbers, as the participation age was raised from 16 to 18 and this shrunk the pool of young people looking for apprenticeships (OECD 2017).

Both the Greater Manchester and Leeds initiatives addressed key employer challenges around the provision of information and support to employers and access to funding, and some of the difficulties for learners in obtaining good IAG. Greater Manchester still has an apprenticeship hub, seemingly an evolution of the City Deal version, now delivered by learning providers and the Chamber of Commerce.<sup>2</sup> Leeds City Council continues to run an

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<sup>2</sup> See: <http://theapprenticeshiphub.co.uk/>



apprenticeships hub<sup>3</sup> although this now seems to be focused towards learners and young people rather than employers, and Leeds City Region Enterprise Partnership now provides employer support and levy transfer advice through its business support function.<sup>4</sup>

Apprenticeship policy in England has changed significantly since the types of intermediary linked to City Deals described above were set up. Major changes came about in 2016-17, introducing new challenges for employers and therefore demands on intermediaries. IFATE was set up in 2016, tasked with developing new apprenticeship standards as old frameworks were phased out. It works with employer trailblazer groups to ensure standards are fit for purpose. In April 2017 the new apprenticeship levy came into effect: all employers with a wage bill above £3 million per year must pay 0.5 per cent of the wage bill as a levy to fund apprenticeship training (House of Commons Library 2020).

Levy payments are managed via an online apprenticeship service account, and can only be spent on training, not wages or any other costs. Levy-paying employers can now transfer up to 25 per cent of any unspent levy funds to other employers, normally smaller non-levy payers (House of Commons Library 2020).

Managing the online service, which is now also required for SMEs, deciding what to spend levy funds on, and negotiating levy transfers have all become common challenges for employers, both large and small (Learning and Work Institute 2020; APPG on Apprenticeships 2022). A number of city or regional public sector bodies have launched levy management and transfer support, including Leeds City Region as noted above, as well as the West Midlands,<sup>5</sup> and some individual councils run their own levy transfer service to pass on their own unspent funds to local businesses.<sup>6</sup>

The LPC, launched in 2020, set out to address levy system challenges as well as another major employer barrier: access to good quality advice and information. The LPC delivers a practical IAG service for employers, alongside a levy transfer brokerage service for London, with the overall aim of generating more apprenticeship opportunities for low-paid workers in London (Learning and Work Institute 2021). While the LPC was part-funded by the Greater London Authority during its pilot phase, since 2022 it has relied on philanthropic support, subsidised by traded consultancy services.

## Industry-led intermediaries

**Table 2: Examples of industry-led UK intermediaries and their activities**

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<sup>3</sup> <https://employmentskillsleeds.co.uk/apprenticeshiphub>

<sup>4</sup> <https://www.the-lep.com/business-support/skills-and-training/apprenticeship-support/>

<sup>5</sup> <https://www.wmca.org.uk/what-we-do/productivity-skills/the-apprenticeship-levy-fund/>

<sup>6</sup> <https://www.brent.gov.uk/business/business-advice-and-support/apprenticeship-levy-transfer-scheme>

Organisation	Type of activity/ service									
	Employer advice	Standard development	Identifying suitable standards	Identifying training providers	Apprenticeship promotion	End point assessment	Providing training	Recruitment support	Learner support	Quality assurance
Association for Consultancy and Engineering	✓	✓			✓					
Association of Accounting Technicians	✓		✓	✓	✓					
Credit Services Association					✓	✓				
Enginuity	✓				✓					
British Printing Industries Federation					✓		✓	✓		
Institute of Workplace and Facilities Management					✓	✓				
Institute of Civil Engineers	✓				✓				✓	
People 1st		✓			✓					✓
Royal Aeronautical Society					✓	✓				
Royal Institution of Chartered Surveyors					✓	✓				
Skills for Logistics	✓				✓	✓				
Manufacturing Technologies Association					✓			✓		

For more detail see Appendix 1

Many employer- or industry-led intermediaries appear only to provide information about apprenticeships and encourage employers to create them, rather than proactively supporting them to do so. While this addresses the key employer challenge of access to good quality information about apprenticeships, it does less to help employers organise and manage an apprenticeship programme or navigate the apprenticeship levy.

Some do provide more extensive support, for example the Association of Accounting Technicians helps employers to identify the right apprenticeship and to find a training provider; the British Printing Industries Federation and the Manufacturing Technologies Association help employers to recruit, with the latter hosting an apprenticeship jobs board. The Department for Education holds a list of apprenticeship intermediaries, most of which appear to only carry out this information supply/ general promotion role, and as such, they have not been included in the table above, or the review overall.

The other English organisations commonly classed as intermediaries in the literature are Group Training Agencies (GTAs) and ATAs. GTAs are a group of employers that jointly provide training either in cooperation with colleges or directly by themselves. They are mainly focused in construction and engineering. ATAs act as the apprentice employer, organise their training, and ‘lease’ them out to other employers, for example when an employer is too small or specialist to be able to host a full apprenticeship. Similar models are found in other countries (ILO 2019).

ATAs and GTAs in England can provide a distinctive, impartial and responsive service when they are led by employers (Centre for Learning and Life Chances in Knowledge Economies and Societies 2012). ATAs and GTAs can address one of the main employer challenges identified in the literature: the time and resources needed to employ and manage apprentices (St Martin’s Group 2021). A new model, Flexi-Job Apprenticeship Agencies, is launching in England which resembles the ATA model but is specifically for jobs with short-term contracts or non-standard employment, to allow workers to access an apprenticeship. Flexi-job apprentices can manage their own contracts with multiple employers, or will be able to do this through a Flexi-Job Apprenticeship Agency. ATAs will be expected to join the government’s register of these agencies (Education and Skills Funding Agency 2022).

Although an important part of the apprenticeship landscape, this review does not include all the literature on GTAs / ATAs as they are slightly tangential to the main areas of interest.

### International examples

Outside the UK, many other countries have their own types and models of intermediary organisations and support. They vary in size, number, constitution, function and funding, but all tend to share a core aim of increasing the number of apprenticeships created by employers.

**Table 3: International examples of intermediaries**

Country	Description
<b>India</b>	Third Party Agencies. Introduced in the 2010s as part of widespread apprenticeship reform, and mainly tasked with increasing apprenticeship numbers. They organise training, support employers with administrative tasks, ensure funding is correctly paid and oversee assessment and certification, as well as matching candidates to vacancies and promoting apprenticeships. (ILO 2019; Smith 2021)
<b>US</b>	<p>Apprenticeship Intermediaries. These experienced growth and additional funding under the Trump administration. Workforce Intermediary Partnerships bring together unions and employers to develop sector-appropriate apprenticeships and training, recruit apprentices and bring other partners together (Jobs with Justice Education Fund 2017; Smith 2021).</p> <p>\$100 million contracts awarded in 2019 to 28 partnerships to develop more third party support for employers, and increase apprenticeship numbers by 78,000 (Future of Canadian Automotive Labourforce 2020).</p> <p>A 2021 federal funding round awarded \$8 million to four national intermediaries, each focused on a different sector, and each aiming to</p>

	create at least 750 apprenticeships in automation supply chain, electricity supply chain, care economy, and advanced manufacturing supply chain <sup>7</sup>
<b>Australia</b>	<p>Group Training Organisations (GTOs). Non-profits, supported by the public sector in some cases e.g. to target marginalised groups. Act as apprentice employer, as well as helping employers with recruitment, arranging and monitoring training, and administrative tasks (Kuczera 2017; Smith 2021).</p> <p>Australian Apprenticeship Support Network (AASN).<sup>8</sup> There are seven Network providers, with 130 sites across Australia, contracted by the Australian government. As they administer apprentice contracts, they are a mandatory part of the system for employers to engage with. They provide administrative support, payment processing, access to government funding and incentives, and create the training contract and sign employers up to provide apprenticeships. Employers do not make any financial contribution to the cost of the AASN. Providers are monitored by national and state government, and adhere to standards around information sharing, performance and compliance with contracts (ILO 2019)</p>
<b>Austria</b>	Training Alliances. These work in a similar way to ATAs and GTOs. They may support the movement of apprentices between employers, facilitate apprentices' training, and in some cases coordinate training providers (Kuczera 2017).
<b>Norway</b>	<p>Training Agencies. Owned by employers and funded through state grants as well as employer contributions. Designed to support more employers to get involved in apprenticeship training, they are used extensively for inter-firm collaboration on apprenticeships. Involved in the creation of apprenticeships, training staff who supervise apprentices, and training administration.</p> <p>Often they also hold the apprenticeship contract, rather than an employer, and so are responsible for the apprentice completing their training: 80 per cent of apprentice contracts are signed by a training agency on behalf of an employer. Around 70-80 per cent of employers with an apprentice are associated with a training agency.</p> <p>Also involved in quality assurance of apprenticeship training. Evidence that their role is important in the overall functioning of apprenticeship in Norway. Tend to be part of regional or national TA networks, and are generally small and locally specific. Governed by boards that include employers (Kuczera 2017; OECD 2018; Michelsen et al 2021).</p>

<sup>7</sup> <https://www.dol.gov/newsroom/releases/eta/eta20211217-0>

<sup>8</sup> <https://www.australianapprenticeships.gov.au/about-aasn>

<p><b>Germany</b></p>	<p>A range of organisations can act as intermediaries, including Craft Chambers, Chambers of Industry and Commerce, and Employment Agencies. They can offer a huge range of services, including consultancy, legal advice, social issues, certification of trainers, advice during apprenticeship, mediation, registration and examination of apprentices, and training support (Erasmus+ Programme 2017). Membership of a chamber is compulsory for German businesses.</p> <p>Chambers of Commerce are central to the implementation, funding and oversight of apprenticeships. They promote apprenticeships to employers, support existing apprentices and their employers, and perform tasks like administering apprentice contracts and examinations (European Commission 2013).</p>
<p><b>Switzerland</b></p>	<p>Training Agencies. Have become a small, niche part of the system, only used by a few employers. They were designed to help small and specialist employers host apprentices when they would not be able to provide all the required training; the ATA rotates their apprentices around different employers (Michelsen et al 2021).</p>
<p><b>Canada</b></p>	<p>Current funding programme to fund intermediaries focusing on construction, manufacturing and other skilled trades, with each aiming to create a minimum of 2500 apprenticeships. Intermediaries will provide support to SMEs and distribute financial incentives: \$5000 to employers, plus another \$5000 if the apprentice is from an under-represented group. Employers will be helped to ‘onboard’ apprentices, creating an inclusive workplace, diversity &amp; sensitivity training, support to hire and retain apprentices from under-represented groups. Groups eligible to be an intermediary: union from relevant trades, non-profit or for profit, Indigenous organisation, or local government.<sup>9</sup></p> <p>The Canadian Skills Training and Employment Coalition, operating in the steel industry, created a new apprenticeship programme, on an ATA model (moves apprentices to different employers, takes admin burden, mentoring and monitoring of apprentices, navigating the system) (Future of Canadian Automotive Labourforce 2020)</p>
<p><b>New Zealand</b></p>	<p>Accredited Industry Training Organisations. 11 organisations, recognised by government, owned by industry members and normally funded by govt and industry. They are sector-specific, primarily setting skills standards, delivering and organising training and assessment, and</p>

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<sup>9</sup> <https://www.canada.ca/en/employment-social-development/services/funding/apprentice-service.html>

	monitoring of quality. They also play a role in promotion of apprenticeships and providing info to employers and learners. <sup>10</sup>
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## ROLES PLAYED BY INTERMEDIARIES

The kinds of activities and services provided by intermediaries cover a broad range. In some cases, this is driven by what a commissioner or funder requires, in others by what the intermediary believes that employers need and want from them.

Across the range of examples described here, all of the main challenges that exist for UK employers are addressed: access to funds, support to organise and manage apprenticeship schemes, help to navigate systems (e.g. the levy in the UK), access to good quality, appropriate advice and information, and the availability of suitable apprenticeships. Some intermediary models also provide services that address UK learner challenges, such as the under-representation of disadvantaged or minoritised groups, and a lack of information, advice and guidance.

However, the main provider challenges identified in the UK literature are less likely to be helped by any of the models outlined here. Insufficient funding levels and rigid and unhelpful rules may be present in other places as well as the UK, but they are not generally among the issues addressed by intermediaries. The policies underpinning such issues tend to be the responsibility of regional or national governments, and therefore outside the remit of most intermediaries.

The ILO's 2019 report on intermediaries provides a summary of the main roles they carry out, as described in other literature:

- linking apprentices with employers
- aggregating demand from employers for employing apprentices or for training
- supporting employers with their apprentices
- supporting apprentices
- helping employers to complete the relevant paperwork
- educating employers about funding possibilities
- helping employers to interpret the apprenticeship system and general TVET system, if appropriate.

It also suggests that the majority of intermediary organisations focus on supporting SMEs and making apprenticeships more inclusive. The list below describes the main activities identified in this literature review, which adds up to a rather longer list than the ILO report.

### Promoting apprenticeships to employers

Possibly the most common activity delivered by intermediaries is the promotion and marketing of apprenticeships, not only to employers but also often to potential

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<sup>10</sup> <https://www.nzqa.govt.nz/for-business/ito.do>

apprentices. This will normally include sharing information about the benefits of apprenticeships, and how to engage with the system (Education Strategy Group 2019).

US intermediaries have used a range of different ways to engage employers, including events, webinars, speaking at conferences, and producing outreach materials. Some also work in partnership with other organisations such as industry associations, unions and community colleges to reach employers (Lerman and Kuehn 2020).

In the UK, the Leeds apprenticeship hubs (OECD 2017) provided independent and impartial advice to employers, mainly SMEs, that were interested in offering apprenticeships. The independence was particularly valued, as many employers were being contacted numerous times by multiple training providers, but did not know how best to select one.

### **Navigating apprenticeship systems**

According to the OECD (Kuczera 2017), intermediaries have an important role in helping employers navigate apprenticeship systems, and they therefore need in-depth knowledge of the system they are working within. This role as a navigator of complex systems is at the core of all intermediaries, according to the Education Strategy Group (2019).

US-based CareerWise performs the role of supporting and connecting all the different players involved in apprenticeships, and of ‘translating’ the system for them all (Katz, Elliott 2020).

In India, third party agencies help employers to navigate the apprenticeship system (Smith 2021). Local authorities and other local or regional government bodies provide support to understand and navigate apprenticeship systems for employers in the UK (Centre for Cities 2017).

### **Aggregating demand**

For SMEs, intermediaries can not only help to navigate the overall system, they can also aggregate demand among smaller employers and create economies of scale and the ability to negotiate collectively, for example with training providers to put on provision that suits their needs (Sullivan 2016).

Two examples from the UK highlight the importance of aggregating employer demand to enable access to apprenticeship training. The Technical Apprenticeship Consortium brought together engineering consultancies to create a pool of apprentices, enabling them to influence both training provision and apprenticeship standards. The Advanced Therapies Apprenticeship Community brought together individual employers with an innovation company to create a critical mass of demand, enabling them to create a bespoke apprenticeship programme. The innovation company, Cell and Gene Therapy Catapult, also helped the employers to understand the apprenticeship system more broadly. While neither of these examples were delivered by an organisation that would be primarily considered an intermediary, they are good examples of intermediary activity, and how it may occur within other settings (Sandford Smith 2021).

## Reducing administration/ bureaucracy for employers

Many intermediaries carry out administrative tasks on behalf of employers to lighten their administrative load, and reduce the real or perceived bureaucracy of taking part in apprenticeship schemes.

Examples include third party agencies in India (Smith 2021) and Training Agencies in Norway, that can hold apprenticeship contracts on behalf of employers and are responsible for off-the-job training for SME apprentices (Kuczera 2017). Some intermediaries perform significant HR functions, such as writing job descriptions, advertising vacancies, matching candidates to apprenticeships, performing background checks and running payroll (Education Strategy Group 2019). The LPC takes much of the administrative burden of the levy transfer process from both levy donors and recipients, as well as helping them to navigate the system (Learning and Work Institute 2021).

In Australia, Group Training Associations (GTOs) 'lease' apprentices to employers; the GTO is the employer and will move apprentices to different host employers to ensure they have the full range of opportunities and experiences needed to complete their training (Smith 2021). GTOs work with small and large employers in a range of sectors, including 'traditional' sectors such as trades but also services such as healthcare. Apprentices as well as employers are supported by GTOs, with each apprentice assigned a field officer to provide them with direct support. Employers are also helped with official requirements such as health and safety (Smith 2021).

A 2007 programme in Germany provided support via intermediaries to place more apprenticeships in SMEs. The PV Programme set out to address the difficulties SMEs had in competing with larger employers for candidates. Non-profit intermediaries were funded to provide tailored support to SMEs to understand their needs, and help them to recruit. Some PV agencies were linked with chambers of commerce or industry and others were independent; in total they placed over 55,000 apprentices with SMEs between 2007-13 (OECD 2017).

## Accessing funding / financial incentives

Many governments and government agencies provide funding to employers to cover costs including wages and training fees, or more generally to incentivise employers to create apprenticeships. Many intermediaries are either the official channel to access funds, such as the Australian Apprenticeship Support Network, or provide advice and support to employers to identify and help them claim what they are eligible for, such as the US Center for Apprenticeship and Work-Based Learning (Jobs for the Future).

In the UK, a number of public sector bodies, such as combined authorities, provide a matching or brokerage service to enable large employers with unspent apprentice levy funds to transfer some of the money to support SMEs with apprenticeship training costs. This is intended to avoid the large employers' funds going unspent and reclaimed by central government, and to maintain numbers of apprenticeships with SMEs, where recent years have seen a significant decline (Julius, Faulkner-Ellis and O'Donnell S 2021).

There is evidence that financial incentives can have limited effects in creating apprenticeships, with a lot of deadweight (funding employers who would have hired an



apprenticeship without the funding), and a risk of attracting employers who are more interested in the incentive than investing in an apprentice (Kuczera 2017). However, coupled with additional support, such as help to expand small employers' training capacity or coordination between employers on their training needs, intermediaries can boost the effectiveness of financial incentives (Kuczera 2017).

## Developing apprenticeships and training programmes

Intermediaries can play a wide range of roles relating to the creation of apprenticeships and their associated training programmes.

In the case of US intermediaries, they work with employers and others to develop national standards, as well as helping individual employers to develop an apprenticeship programme that meets government regulatory requirements and allows it to be officially registered (Rolland 2016; Congressional Research Service 2019). Registering an apprenticeship through an intermediary allows for harmonisation of standards across different employers, making apprentices' skills more 'portable' (New America 2020). It also places some of the training burden onto the intermediary rather than the employer, such as completing apprentices' training and ensuring correct documentation is in place (Sullivan 2016). Some US intermediaries funded by the 2016 commissioning process have developed new occupational frameworks and new apprenticeship programmes by working with employers and subject-matter experts (Lerman and Kuehn 2020).

## Delivering apprenticeship training

Some intermediaries take on the task of delivering apprenticeship training themselves, while others focus on identifying suitable training providers to match up with employers. Examples of intermediaries acting as training providers include the HITEC organisation in Vermont, USA, which trains apprentices and then places them with employers (Rolland 2016). In New Zealand, Accredited Industry Training Organisations deliver training, as well as promoting apprenticeships to employers, providing them with information and guidance, and setting apprenticeship standards.<sup>11</sup>

## Reducing employer risk

The ILO (2019) notes that intermediaries, through the support they provide to employers and apprentices, reduce the risk of an apprenticeship failing. They can provide support to apprentices to reduce the likelihood of them dropping out, for example (Dickerson and Richard 2021).

Models like Australia's GTOs, the UK's ATAs, and US intermediaries can reduce risk for employers, particularly smaller ones, by employing the apprentices directly, and placing them with different employers so that the employer does not have to commit to paying a salary for the full duration of the programme (Education Strategy Group 2019; Lerman and Kuehn 2020). Training Agencies in Switzerland hold the apprentice contract, and in fact employers are not involved at all in selecting candidates for apprenticeships (Michelsen et al 2021).

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<sup>11</sup> <https://www.nzqa.govt.nz/for-business/ito.do>

Others, such as US intermediaries, may take on tasks such as background checks, providing insurance and handling data, which also reduces burdens and the risk of mistakes for employers (Education Strategy Group 2019).

### **Bringing partners together**

Most apprenticeship systems involve multiple partners and types of organisations, including employers, training providers, unions, industry and trade associations, chambers of trade or commerce, schools, government regulators and policymakers, and more. The role of the intermediary may be particularly important if other partners lack the capacity or time to work closely together, or if outcomes are harder to achieve by individual organisations working solo (Education Strategy Group 2019).

A common role of intermediaries is to bring some, or all of these ‘traditionally disconnected stakeholders’ (Education Strategy Group 2019, p5) together to collaborate, to streamline activities, or to develop new aspects of the apprenticeship programme. One identified strength of intermediaries is that they speak the language of both employers and educators (Rolland 2016), and they contribute to the important role of collaboration for the strength of an overall apprenticeship system (Kuczera 2017).

Within an apprenticeship, intermediaries may also act as liaison between the core partners of employer, training provider and apprentice, for example helping training providers to build provision that is appropriate for employers, or providing schools with help to engage with employers (Education Strategy Group 2019). CareerWise, operating in four US states, acts as a central convener between all partners involved in apprenticeships, and helps them to work collaboratively (Katz, Elliott 2020).

In the UK, organisations such as the Greater Manchester Apprenticeship Hub (OECD 2017) worked with multiple stakeholders in the apprenticeship system, including young people, training providers and employers, and put a focus on improving links and connectivity between different parts of the system. The LPC hosts knowledge sharing and networking events to bring stakeholders together and boost awareness of apprenticeships (Learning and Work Institute 2021).

Intermediaries in many European countries work closely with social partners (unions and industry bodies) on a range of activities, including funding and planning the curriculum (Denmark), qualifications design (Belgium), coordination of construction apprenticeships (France), and training provision (Norway) (Erasmus+ Programme 2017).

### **In-work training quality assurance**

In Germany, chambers of commerce or craft certify in-company apprentice trainers to ensure they are of sufficient quality and are appropriately qualified. At least one employee must be properly certified for the employer to be able to provide in-work training. Chambers provide training to trainers for both SMEs and larger employers and more generally assess the capability of employers to deliver apprentice training (Cedefop 2018). Not every employer is authorised to provide training itself (Cedefop 2018).

## Representing or liaising with government/ statutory agencies

Intermediaries may officially or unofficially pass on information from governmental bodies, act as representatives for things like quality assuring standards or certifying learning, and also feed back information from the ‘frontline’ of apprenticeship delivery to policymakers.

In Norway, for example, employers and other social partners are involved in apprenticeships at all levels from local up to national, and coupled with intermediary involvement this enables information to flow down to employers and up to policymakers (Kuczera 2017). In some countries, intermediaries are the main bodies that manage employer relationships within the apprenticeship system (European Commission 2015). In the UK, the Department for Education maintains a register of intermediary organisations, and holds regular network meetings.

## Supporting apprentices

Some intermediaries provide a service to apprentices as well as their employers, for example Australia's GTOs which support apprentices during their training (Smith 2021). Some US intermediaries provide apprentices with coaching, interview training and job readiness preparation, as well as in-work support, monitoring of progress and supporting apprentices' learning (Education Strategy Group 2019). Intermediaries in Illinois for example support apprentices' training and progress as well as delivering a broader range of intermediary activities such as encouraging employers to create new opportunities (Richard and Foil 2020).

## Diversifying the apprenticeship workforce and improving job quality

Intermediaries in some countries, for example the US, are specifically tasked with improving the diversity of the apprenticeship workforce. They may target underrepresented groups in certain sectors, such as women in manufacturing, or youth of colour from low-income communities. Intermediaries in Illinois have a focus on diversifying apprenticeships, for example, and Apprenticeship Carolina, operated by technical colleges, has been successful in bringing under-represented groups into apprenticeships (Future of Canadian Automotive Labourforce 2020; Richard and Foil 2020; Dickerson and Richard 2021).

The Wisconsin Regional Training Partnership is an industry-led non-profit organisation, with a mission to connect people to ‘family sustaining’ jobs. Through supporting employers and creating resources, the partnership places people into good quality jobs, and has been part of creating a new apprenticeship in manufacturing. Evidence indicates that the partnership is successful in both meeting employer needs and upskilling workers (Future of Canadian Automotive Labourforce 2020).

## HOW TO CLASSIFY INTERMEDIARIES?

Given the wide range of functions, organisational make-up and powers of intermediaries, there could be many different ways to classify them. Indeed, the ILO (2019) points out the

difficulty in creating a typology, given the many variables in how they are constituted, how they function and what they do, as well as the very different apprenticeship systems that exist in different countries. The report suggests two main ways of breaking down intermediaries into types.

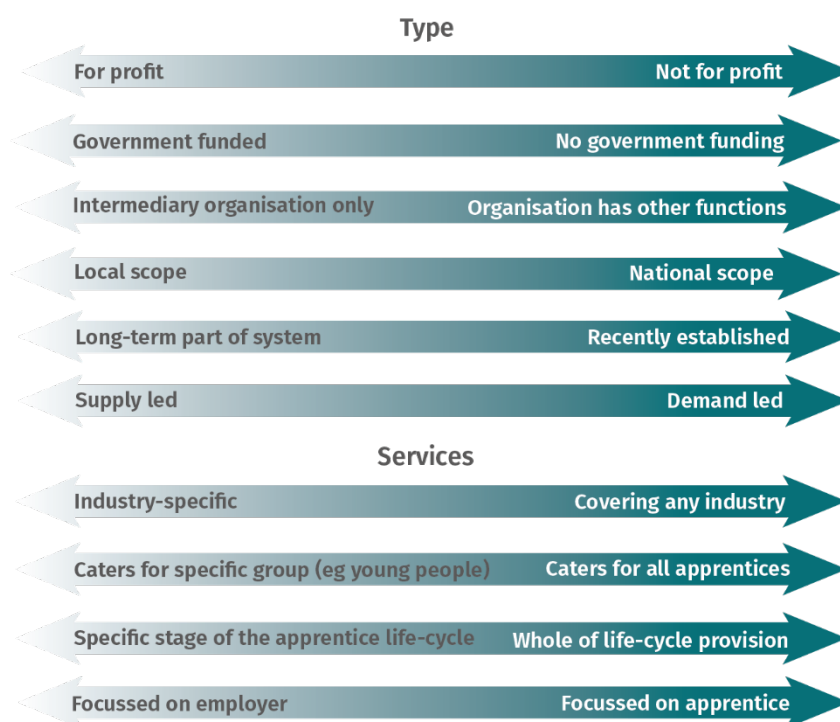
- What purpose(s) the intermediary is for, eg does it aim to increase overall numbers, to improve retention and completion, to improve diversity
- Where in the apprenticeship ‘life cycle’ does it intervene eg some are focused at the recruitment stage, some on training, some on providing support during the apprenticeship.

It also suggests key distinctions in how they are funded, whether they are supply or demand led or for profit / not for profit (ILO 2019). Smith (2021) suggests organising intermediaries into three types: those that are employment focused, training focused, or administrative support focused.

The problem with these suggestions is that, as described above, many intermediaries operate across several different parts of the life cycle, and may have a focus on employment, training *and* administrative support. This means there is not a neat way to divide intermediaries into clear categories.

Rather than a typology, the ILO report suggests intermediaries be classified on a number of sliding scales, with each organisation being located at different points on each feature.

**Figure 2: Classification of intermediaries by two features: type and services**



Source: ILO 2019

This provides a more granular system of classification that perhaps more accurately represents the diversity of intermediaries, but it does also highlight the complexity of the landscape.

The geographic area of operation is another way to define or differentiate between intermediaries, as some are very locally-based while others may operate at a national level (Education Strategy Group 2019). There may also be concentrations of intermediary activity in different regions; for example in Australia they are particularly necessary in rural and remote areas (ILO 2019).

While the majority of intermediaries operate across multiple, or all, business sectors, some do have a specific focus. Intermediaries in the Canadian automotive industry emerged to address skills shortages, particularly for SMEs, who found the apprenticeship system very complex and lacked the capacity to manage a programme themselves (Future of Canadian Automotive Labourforce 2020).

## EVIDENCE OF AND CONDITIONS FOR SUCCESS

While there is not extensive evidence in the literature of the impact of intermediary organisations or activity, there are examples of successful outcomes, albeit with limited explanation of how these were achieved.

Among the benefits of intermediaries noted by the ILO (2019) are: they are an effective means of sharing information from official bodies to employers, apprentices and other stakeholders; they encourage the creation of more apprenticeships, and help more people from disadvantaged groups become an apprentice; they contribute to improved retention and completion rates; and they bring knowledge and experience in issues relating to young people and disadvantaged groups to the apprenticeship system. They are considered to be particularly useful for SMEs, and can bring new employers into the apprenticeship system and reduce the risk of apprenticeship failing.

Centre for Cities (2017) notes a number of UK cities or combined authorities where the delivery of intermediary services, such as support to negotiate the apprenticeship system, help to find training providers, promotion of the benefits of apprenticeships, and access to additional funding, has led to positive benefits. In Liverpool, a joint engagement team run by the Chamber of Commerce and Liverpool Chamber Training has increased both employer engagement in apprenticeships and employer satisfaction.

The Greater Manchester Apprenticeship Hub, which had control of the AGE grant and was therefore able to adapt its deployment to suit local needs, was able to involve more employers in apprenticeship design. Glasgow City Council provides HR and admin support to employers, such as advertising vacancies and support with recruitment. The service is particularly popular with SMEs. Finally the Humber Apprenticeship Support Service provided brokerage between training providers and employers, helped to identify employer needs and provided information and support to employers (Centre for Cities 2017).

The range of activity described in the Centre for Cities (2017) report shows how UK public sector intermediary bodies or services have successfully addressed all of the main employer challenges identified in the literature. They help employers to organise and deliver apprenticeships, access information, access funds and work with training providers. In the case of Greater Manchester, they were also able to involve employers in apprenticeship design, which is less common for UK intermediaries.

An assessment of the performance of two UK apprenticeship hubs, in Greater Manchester and Leeds (OECD 2017), found the following strengths: flexibility and evolution in the focus of the activity to respond to changing needs and circumstances; good relationships with the funder (SFA) to enable negotiation; flexibility in performance management; local authority involvement brought good local knowledge of the economy, social inclusion, and links to the LEP; and two ATAs funded in Leeds were seen as successful, although found there was a limit to how many employers will pay for ATA services.

An evaluation of the LPC (Learning and Work Institute 2021) identified a number of successful elements of its services. Both levy donors and recipients were happy with the support they received from the LPC team, and both stated that without the LPC support they would not have engaged in the levy transfer process. Donors and recipients felt their knowledge and understanding had improved, and levy recipients were reassured by the wider support on offer, knowing they could ask for support when they needed to.

Intermediary organisations and partnerships in the US demonstrate some success with improving the diversity of the apprenticeship workforce, for example the Aerospace Joint Apprenticeship Committee which coordinates apprenticeship programmes in Washington State, has 20 per cent women and 53 per cent minorities on its pre-apprenticeship programme. These partnerships can also demonstrate other benefits, such as savings on training costs, improved labour/ management relationships and increased productivity, achieved by the Keystone Development Partnership which partners with a wide range of stakeholders in the apprenticeship ecosystem including unions, industry associations and training providers (Jobs for Justice Education Fund 2017).

Norwegian Training Agencies (TAs) are seen as flexible, affordable for employers to join and able to fulfil a wide range of employer needs across sectors, size and geographies. Employers are able to retain a lot of ownership over processes such as recruitment. Despite not holding many formal powers, TAs in Norway are seen as a significant player mediating between the state and employers, playing a critical role in meeting government targets, and enabling government to influence the apprenticeship sector in a light-touch way (Michelsen et al 2021).

The PV Programme in Germany was seen as successful, placing over 55,000 apprentices with SMEs. Seen as a rapid and flexible process, it helped SMEs to save on recruitment costs, and the majority were happy with the candidates provided by the PV agency. There were some gaps however, where SMEs were not linked to a specific profession or chamber they may not have been able to access PV agency support (OECD 2017).

An evaluation of the Australian Apprenticeship Support Network (Australian Department of Education and Training 2018) found mixed evidence of the network's success. Overall, the network was designed to make it easier for employers to create and deliver apprenticeships, and for apprentices to succeed in their training. The network carries out

a range of functions including end-to-end advice and support, improving retention and completion rates through support before and during the apprentices, advice to potential apprentices, reducing administrative burdens throughout the system, improving the consistency of support, streamlining administration, rationalising services, and providing advice and guidance.

In many cases it was not possible to assess performance of the Network, as no outcome information or data was available, but some judgements were made. There was evidence that the provision of the broad range of services had created more of a 'one stop shop' model for employers and apprentices, but there was still some ongoing confusion around roles and responsibilities within the system. Administration had been improved for some parts of the system, but not for training providers. Access to support had improved but this was not consistent, and was still limited particularly in remote areas. Joint working between agencies was enhanced, but duplication and overlap remained in some instances, and completion rates were up, though it was not possible to assess the quality of the apprenticeship (Australian Department of Education and Training 2018).

The evaluation made a number of recommendations to improve the network, including upgrading the IT infrastructure, better mechanisms to monitor the effectiveness of the network, enhancing consistency in the networks' processes, and ensuring services were both comprehensive and flexible (Australian Department of Education and Training 2018).

The reasons *why* an intermediary may be successful are even less frequently discussed in the literature. The ILO report (2019) identifies a list of factors that can contribute to success:

- long-lived organisation with a good reputation
- evolved organically due to demand from employers
- good relationships with employers
- clearly identified with a specific geographical locality or industry
- open and transparent information available online
- seen to be involved in apprenticeship systems for the right reasons, not solely for profit
- monitored formally by government or by boards or informally by well-defined groups of employers
- expert and knowledgeable staff
- efficient and ethical business practices.

In a review of intermediaries for skilled trades in Canada (Future of Canadian Automotive Labourforce 2020) the characteristics of successful intermediaries were identified as the following.

- Understanding needs of SMEs, connecting multiple employers / economies of scale to develop programmes. Helping SMEs to aggregate skill needs. Reduces efforts of training providers to reach SMEs.
- High level of support to apprentices during their apprenticeship. Case managers might be experienced in the same industry as apprentices. Case managers monitor, mediate, support, generally keep an overview of how things are going and sort out any issues. Also help to identify and access funding.
- Sector-based and geographically appropriate - deep understanding of a sector, normally have staff with experience in the sector.

- Building connections between parties - employers, unions, colleges, regional systems and providing support to navigate systems. Facilitate relationships.
- Focus on long-term/ bigger picture - not just immediate concerns /needs of employers and apprentices.
- In Canada - apprentices must be sponsored by someone that obtains approval from the provincial apprenticeship agency. Intermediaries can do this on employers' behalf, reducing admin. Intermediary can assume pretty much all responsibility for apprentice apart from the actual job – registration, placing with an employer, ensuring learning received, ensuring right documentation in place.
- Build strong partnerships with training providers to develop good quality training
- Collect and analyse data to monitor completion and inform partners about what is and isn't working; spread good practice.

The evaluation of the LPC (Learning and Work Institute 2021) points to some potential factors that supported success: clear communication, ability for employers to return to LPC staff for additional help, regular contact, building positive relationships with employers and training providers, and providing support and information tailored to employer needs.

To summarise, successful intermediaries appear to demonstrate some or all of the following:

- **Flexibility**
  - Flexibility in ability to meet local needs/ different sorts of needs across sectors
  - Ability to evolve / adapt to changing needs over time
- **Successful relationships**
  - Good relationships with funders, employers and training providers
  - Joining up with and coordinating across other agencies, building relationships
  - Clear, regular and tailored communications
- **Knowledge**
  - Good local knowledge e.g. through links with local government
  - Expertise and knowledge e.g. understanding employer needs, deep knowledge of a sector or location
  - Collecting and analysing data and good practice and sharing with partners
- **High standards of activity and organisation**
  - Openness and transparency, including over the motivation of the intermediary (not just financial)
  - Effective governance and monitoring
  - Long-lived organisation and a focus on the long-term/ bigger picture
  - A focus on diversification of apprenticeships (rather than hoping it will happen)
- **Driven by employer needs**
  - Providing what employers need (rather than what it is thought they need)
  - Employers have some power and say in what happens e.g. with recruitment
  - Providing a broad range of services - being a 'one stop shop'
  - Clarity on what the intermediary offers
  - Providing significant support to apprentices during their training.



## CHALLENGES FOR INTERMEDIARIES

Running an intermediary organisation is not without its challenges. These can include attracting sustainable funding to cover running costs, finding enough employers to successfully engage in apprenticeships, staying grounded in local needs if they scale up, and developing and maintaining high quality programmes if they operate across different geographies or multiple sectors (Education Strategy Group 2019).

The ILO (2019) also points out a number of funding-relating challenges, including the volume of management and auditing linked to government funding, the challenges in attracting and retaining staff with short-term or limited funding, and the potential for malpractice or poor quality practice to be incentivised by intermediaries that are under-resourced.

Although one of the main activities of intermediaries is to raise the profile and understanding of apprenticeships, they can still be hard for employers to find, or understand what they do (ILO 2019). Where more than one intermediary exists in a location or sector, this can lead to confusion for stakeholders and unhelpful competition between the intermediaries. Where incentives exist within a system, for example financial payments based on numerical targets, these may skew intermediaries' work towards quantity rather than quality, which can in turn diminish employers' trust in intermediaries (ILO 2019).

If an intermediary is part of a wider organisation this can offer both benefits and challenges. It may enable them to provide broader expertise and support to employers, or to access other sources of funding, but could also lead to conflicts of interest. An intermediary that is part of a training provider would, for example, have an incentive to refer employers to their own provider, rather than recommending one that might in reality be more suitable (ILO 2019).

Training Agencies (TAs) in Switzerland have become very niche organisations, despite being on paper very similar to much more successful TAs such as those in Norway. This may be in part due to their rigid structures and roles, for example carrying out the whole recruitment process with no employer involvement. Membership for employers is expensive, and the model fundamentally challenges the employer-dominated apprenticeship system in the country, so for TAs to expand substantially would involve a major restructure at a national level. They also suffer from shorter term or temporary government subsidies, which makes them less sustainable (Michelsen et al 2021).

The OECD report (2017) looking at two UK apprenticeship hubs identified a number of challenges: the hubs struggled to engage more young people, in part due to apprenticeships being seen as less valuable than academic qualifications; national apprenticeship policy changed during delivery, including the raising of the participation age; careers IAG reduced significantly, and hubs had to 'pick up the pieces'; some conflict and confusion arose with multiple national apprenticeship schemes; and the hubs did not have enough leverage to influence provision to focus on key local priority areas. Some of these issues were due to national policy decisions, and were clearly outside the scope of the hubs' remit or powers.

The evaluation of the LPC (Learning and Work Institute, 2021) also noted some challenges related to factors outside their control. This included employers and local authorities restricting the range of employers they would transfer their levy to, and delays within the levy transfer system often due to training providers. LPC staff also noted that a shift in priorities during the pandemic limited their time on strategic work; this speaks to the limitations of a relatively small team and the constraints of limited funding.

In summary, the main challenges for intermediaries can be described as follows:

- **Funding**

- Funding sustainability
- Staffing challenges linked to short-term funding
- Level of bureaucracy linked to government funding
- Potential quality issues with under-funded organisations
- Skewed financial incentives e.g. to focus on quantity rather than quality
- High costs for employers to work with intermediaries

- **Policy / system challenges**

- Being out of sync with the wider apprenticeship system
- Changes in apprenticeship and other related policy
- Gaps elsewhere in the system e.g. reduction in quality IAG
- Not enough power or leverage to influence systems for employer benefits

- **Providing a quality, relevant service**

- Generating enough fruitful employer relationships
- Balancing local needs and knowledge with scale of the organisation
- Maintaining quality if scaling up / operating in multiple locations
- Confusion for employers where multiple intermediaries exist, or between intermediaries and national schemes
- Removing too much employer involvement/ decision-making.

## CONCLUSION

Despite the limited literature that focuses solely on intermediaries, there is discussion in other contexts, for example around quality apprenticeships or how to support SMEs to create apprenticeships, that helps to describe the international intermediary landscape. The vast majority of this literature deals with description rather than evaluation or assessment of effectiveness.

The literature shows that while each country's intermediary system is different, the underlying drivers are similar - to increase apprenticeship numbers. UK intermediaries are generally created by the public sector or employers, through industry bodies.

Definitions of intermediaries are not fixed or consistent, and the scope of their activity varies a lot around the core driver of increasing numbers. In the majority of cases an intermediary is there to mediate between partners within the system, through coordination, guidance, support and information, and in some cases also actively delivering apprenticeship programmes. Activities vary from promotion of apprenticeships,

through helping employers access financial incentives, to diversifying the apprenticeship workforce.

Broadly, intermediaries carry out functions that address the major employer needs identified in the literature, and some of those experienced by learners, but they do not really address issues that concern training providers.

UK intermediaries generally deliver a narrower range of activity than many other countries' intermediaries. In part this is due to other parts of the UK apprenticeship system having responsibility for things like creating standards which are the responsibility of intermediaries in other places. Whether this is beneficial or not can be argued either way. It may be better to be more focused and have a clearer offer, or UK intermediaries may be missing out on making the system more coordinated and joined up, and the greater leverage and power they would have if they were more like other models such as in the US or Germany.

Coming up with a clear typology of intermediaries is difficult due to the many different variables in how they are constituted and operate. Different ways of organising and defining the intermediary landscape may therefore be needed depending on the purpose of the categorisation.

Not a great deal of literature addresses conditions for success, but there are indications that flexibility, successful relationships, expert knowledge, high standards and being driven by employer needs all contribute. Conversely, challenges for successful intermediaries include funding issues, policy and system challenges, and barriers to providing a good quality service.

Some of the literature points to areas for further expansion of intermediaries' activities. With the expansion in 'gig' work, intermediaries could be a host employer for gig workers, loaning them out to other companies as the GTOs and ATAs do (Smith 2021). They could also play a role in helping employers adapt to major changes in industry and the economy, helping employers and providers to work collaboratively on tackling challenges such as skills that they would not be able to do as individual organisations (Smith 2021).

Intermediaries could also have more of a role to play in providing employment opportunities for those disadvantaged or marginalised in the labour market, such as refugees and migrants (Smith 2021). This can already be seen in the 2022 funding programme for intermediaries in Canada<sup>12</sup>, where additional financial incentives are on offer for intermediaries placing marginalised groups into apprenticeships.

Despite the great variation in what they look like and what they do, the literature does paint a clear picture of the need for intermediaries. In both apprenticeship systems with government sponsored or mandated intermediaries, and those with independent intermediaries, there seems to be a need for some sort of intermediary function. This is revealing about the complexity of apprenticeship systems, and the number of partners that must be engaged to deliver them successfully.

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<sup>12</sup> <https://www.canada.ca/en/employment-social-development/services/funding/apprentice-service.html>

## APPENDIX 1: EXAMPLES OF UK-BASED INTERMEDIARIES

Organisation and website	Main activities	Type of organisation (public sector or industry/ sector org)
<p>Liverpool City Region Apprenticeship Support / Be More</p> <p><a href="https://be-more.info/guides/apprenticeship-support-team/">https://be-more.info/guides/apprenticeship-support-team/</a></p> <p><a href="https://be-more.info/guides/coming-soon/">https://be-more.info/guides/coming-soon/</a></p>	<p>Impartial advice</p> <p>Levy transfer support</p> <p>Identifying training needs</p> <p>Identify training providers</p> <p>Accessing funding</p> <p>Apprenticeship promotion</p> <p>Advertising vacancies</p> <p>Advice for learners</p>	<p>Public sector - part of Liverpool City Region governance</p> <p>ESF funding</p>
<p>Leeds City Region Apprenticeship Support</p> <p><a href="https://www.thelep.com/business-support/skills-and-training/apprenticeship-support/">https://www.thelep.com/business-support/skills-and-training/apprenticeship-support/</a></p>	<p>Impartial advice</p> <p>Levy transfer support</p>	<p>Public sector - part of Leeds City Region LEP</p>
<p>Solent Apprenticeship Hub - Apprenticeship and Skills Partnership</p> <p><a href="https://www.theapprenticeshiphub.com/">https://www.theapprenticeshiphub.com/</a></p>	<p>Impartial advice</p> <p>Identifying training providers</p> <p>Identifying training needs</p> <p>Levy transfer support</p> <p>Accessing funding</p> <p>Promoting apprenticeships</p> <p>Advice for learners</p>	<p>Public sector - ESF and council funding</p>
<p>London Borough of Newham - council/ college levy transfer brokerage</p> <p><a href="https://www.newham.gov.uk/news/article/61/new-pilot-scheme-offers-more-apprenticeship-opportunities-to-newham-residents">https://www.newham.gov.uk/news/article/61/new-pilot-scheme-offers-more-apprenticeship-opportunities-to-newham-residents</a></p>	<p>Levy transfer support</p> <p>Identifying training needs</p> <p>Promoting apprenticeships</p> <p>Bureaucracy support</p> <p><i>12 month pilot ran in 2020, unclear if still operational</i></p>	<p>Public sector - delivered by council and college</p>
<p>Greater Manchester Apprenticeship Hub - See</p>	<p>Promoting apprenticeships</p> <p>Accessing funding</p>	<p>Public sector - part of GM combined authority</p>

Different <a href="http://theapprenticeshiphub.co.uk">http://theapprenticeshiphub.co.uk</a>	Levy transfer support - online levy matchmaking Bureaucracy support Identifying training providers Advice for learners	governance
London Progression Collaboration <a href="https://www.thelpc.uk/">https://www.thelpc.uk/</a>	Promoting apprenticeships Levy transfer support Bureaucracy support Identifying training needs Identifying training providers Impartial advice Accessing funding	Public / private hybrid, initially funded by Greater London Authority and J.P. Morgan, now funded by trust and foundation grants alongside some consultancy income
Humber Apprenticeship Brokerage Service	Apprenticeship promotion Bureaucracy support Impartial advice  <i>Appears to no longer be operational</i>	Public sector, probably part of the LEP
West Midlands Combined Authority levy transfer fund <a href="https://www.wmca.org.uk/what-we-do/productivity-skills/the-apprenticeship-levy-fund/">https://www.wmca.org.uk/what-we-do/productivity-skills/the-apprenticeship-levy-fund/</a>	Levy transfer support	Public sector, part of the combined authority
EM3 Apprenticeship Hub <a href="https://www.theapprenticeshiphub.com/">https://www.theapprenticeshiphub.com/</a>	Impartial advice Identifying training providers Identifying training needs Levy transfer support Recruitment support Support for apprentices	Public sector - part of Enterprise M3 LEP
Lancashire LEP <a href="https://lancashireapprenticeships.org/">https://lancashireapprenticeships.org/</a>	Promotion of apprenticeships Impartial advice Levy transfer support Recruitment support	Public sector - LEP
Association For Consultancy and Engineering: Technical Apprenticeship Consortium <a href="https://www.acenet.co.uk/resources/tac/">https://www.acenet.co.uk/resources/tac/</a>	Develops standards and provides advice to employers	Industry
Association of Accounting Technicians	Advice service for employers, identifying right	Industry

<a href="https://www.aat.org.uk/apprenticeships">https://www.aat.org.uk/apprenticeships</a>	apprenticeships and training providers	
Credit Services Association Limited <a href="https://www.csa-uk.com/page/apprenticeships">https://www.csa-uk.com/page/apprenticeships</a>	Promotion of apprenticeships End point assessor	Industry
Enginuity <a href="https://enginuity.org/career-pathways/apprenticeships/">https://enginuity.org/career-pathways/apprenticeships/</a>	Promotion of apprenticeships Team of apprenticeship advisers	Industry
British Printing Industries Federation <a href="https://www.britishprint.com/training-development/apprenticeships/">https://www.britishprint.com/training-development/apprenticeships/</a>	Promotion of apprenticeships Training provider Recruitment support	Industry
Institute of Workplace and Facilities Management <a href="https://www.iwfm.org.uk/professional-development/apprenticeships.html">https://www.iwfm.org.uk/professional-development/apprenticeships.html</a>	Promotion of apprenticeships End point assessor	Industry
Institution of Civil Engineers <a href="https://www.ice.org.uk/careers-learning/develop-your-career/apprenticeships/">https://www.ice.org.uk/careers-learning/develop-your-career/apprenticeships/</a>	Promotion of apprenticeships Support for employers and apprentices	Industry
People 1st <a href="https://people1st.co.uk/apprenticeships/">https://people1st.co.uk/apprenticeships/</a>	Promotion of apprenticeships Standards development Quality assurance	Industry
Royal Aeronautical Society <a href="https://www.aerosociety.com/careers-education/apprenticeships-epa/">https://www.aerosociety.com/careers-education/apprenticeships-epa/</a>	Promotion of apprenticeships End point assessor	Industry
Royal Institution of Chartered Surveyors <a href="https://www.rics.org/uk/surveying-profession/what-is-">https://www.rics.org/uk/surveying-profession/what-is-</a>	Promotion of apprenticeships End point assessor	Industry

<a href="#">surveying/surveying-apprenticeships/</a>		
Skills for Logistics <a href="https://www.skillsforlogistics.org/apprenticeships/">https://www.skillsforlogistics.org/apprenticeships/</a>	Promotion of apprenticeships End point assessor Employer advice	Industry
The Manufacturing Technologies Association <a href="https://www.mta.org.uk/apprenticeship-advice">https://www.mta.org.uk/apprenticeship-advice</a>	Promotion of apprenticeships Employer grants and loans Apprenticeship jobs board	Industry

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## 2.

# CASE STUDIES

### CASE STUDY 1: GERMANY

#### Key points

- Virtually all employers have access to apprenticeship advice and support via their membership of a Chamber of Commerce and Industry or a Chamber of Craft
- Despite the well-established nature of the German apprenticeship system, and the sense of ownership over vocational training that employers have, many employers do need advice and support from their Chamber to navigate the system successfully
- As well as their advisory role, Chambers also have official roles in the apprenticeship system: registering apprentice training contracts, administering apprentice examinations and quality assuring on-the-job training
- Chambers perform a range of other business support functions alongside their apprenticeship roles
- Chambers are independent from local or national government, and are part of the consensus-based 'social partners' model, along with employers and trade unions
- Chambers are funded by membership fees; the statutory elements of the apprenticeship system (e.g. registering contracts) attract an additional fee from employers

#### Role played by intermediaries in the apprenticeship system

The main organisations performing intermediary functions in Germany are the Chambers of Commerce and Industry and Chambers of Craft. Virtually every business in Germany must belong to a chamber; businesses such as insurance, retail and finance belong to a Commerce and Industry Chamber, and those such as construction, textiles and food businesses belong to a Craft Chamber.

There are 79 Chambers of Commerce and Industry and 53 Chambers of Craft, organised regionally. Fees for Chamber membership vary according to the size of the business. Because of the universal requirement to be a Chamber member, the availability of intermediary support is universal, with no geographic gaps. Within each Chamber will be specific knowledge and expertise of relevant local sectors; there are no sector-specific Chambers.

Although the German apprenticeship system is well established and well understood by the majority of employers, negotiating it successfully and managing all of the requirements does take time and expertise. Chambers encourage companies to create apprenticeship programmes, and many will receive support from their Chamber. For example, the Berlin Craft Chamber has 12 advisers that work directly with employers to advise them on vocational education and training (VET). As well as this information and guidance, Chambers are also tasked with some official roles in the apprenticeship process, so they are the natural first port of call for employers.

Chambers provide apprenticeship support to apprentices as well as employers, they register the apprenticeship training contract, quality assure the on-the-job training provided by employers to apprentices, and administer apprentice examinations. They are

more likely to work closely with SMEs on setting up an apprenticeship programme, as many large employers have their own established programmes and manage them in-house. The VET advisers can help with moving apprentices to different employers if this is necessary to complete their training.

Chambers also carry out a wide range of functions, not just apprenticeship support: this can include lobbying, economic development, trade promotion and general business support in areas such as tax or exports.

### **Intermediary purposes, structures and activities**

Chambers are by design independent from local or federal government; they are part of the 'social partners' model which includes unions and employer organisations, and is intentionally set up to allow the state to take a step back and for employers to take the lead on vocational learning and training. No one type of organisation has overall control of the vocational system; instead it is a consensus-based model, with the social partners negotiating and coming to jointly-agreed decisions. This model has been in place for many years. Trade unions are involved in Chamber governance: in Craft Chambers a union representative is always vice president, and in Chambers of Commerce unions are represented on the VET board that oversees their apprenticeship activities.

Although not funded by the state, Chambers' roles in assessing in-company training, registering training contracts and administering exams are their legal responsibility. These roles are necessary to the functioning of the national apprenticeship system, rather than specifically for the benefit of Chamber members. Chambers are designated as the 'competent body' for these activities, meaning they and no other organisations are tasked with or allowed to carry them out.

Final examinations can only be organised by Chambers; in the case of Chambers of Commerce and Industry, exams take place on a fixed date for everyone nationwide. Volunteers from employers, unions and vocational teachers all support the administration of exams - another example of the social partnership model of VET in Germany.

Employers that wish to employ and train apprentices are visited by their Chamber, who will assess if the employer is suitable to provide training. Each employer that provides apprenticeship training has to have at least one member of staff who has completed 'trainer aptitude' training of around 80 hours, ensuring they have the right skills to deliver good quality training to their employees. The Chamber has a duty to ensure that the employer is delivering good quality training; if an employer continually fails to meet the required standards the Chamber can ban them from training any other young people. Because the Chamber is essentially owned by its members, it has a duty to all of them to uphold standards.

The more specific employer support roles - advising on suitable programmes, supporting companies in finding apprentices - are additional services offered over and above Chambers' 'competent body' roles. Chambers will help employers to find an apprentice, and continue to be involved throughout the apprentice's training, offering advice and support, mediating between employer and employee in any disputes, as well as their formal roles in checking that employer training is up to standard, and administering final exams.

Chambers also play a role in shaping the curricula for apprentices, gathering insight and feedback from their employers about what is needed to work successfully in their

company or sector, and working with the social partners to keep training up to date. There is a direct feedback loop from employers to their Chambers if qualifications are felt to be ineffective.

Alongside the central role of the Chambers, Employer Associations or Guilds also play a role in facilitating the apprenticeship system, although membership is not compulsory unlike Chambers. They are responsible for working with employers to keep apprenticeship qualifications up to date and fit for purpose. They will work with trade unions to draft the necessary guidance and standards, which are then handed over to government to form the new qualifications.

Inter-company Vocational Centres also exist, mainly to support smaller employers. Most large companies offering apprenticeships will have their own in-house resources to develop and deliver their programmes, but smaller employers may need the additional help. For employers in Craft Chambers for example, they can provide opportunities for apprentices to train in skills not easily experienced with a small employer. The Centres are also compulsory for some occupations, as they offer training for apprentices to reach official occupational standards. These Centres are often run by Chambers, or will have a close relationship with a Chamber and receive referrals from them. These centres are funded jointly by federal government, regional government, and the employer.

### **Funding model and policy priorities**

Chambers do not receive any federal government funding for their core apprenticeship intermediary activity; they are funded by the membership fees that businesses pay. General advice and information about apprenticeships is funded by the membership fee, which is on a sliding scale according to the size of the business and/or their level of profits. Membership fees for a Craft Chamber are generally under 1,000 Euro per year. The average cost of membership of a large city Chamber of Commerce is around 2,000 Euro per year.

The statutory elements of apprenticeships that Chambers have a legal responsibility for, such as registering apprenticeship contracts, attract an additional fee which employers pay directly to the Chamber. As an example, one large city Chamber of Commerce charges between 500-1,000 Euro for each person, covering the cost of registration, advice and examinations over the three years of the apprenticeship.

As well as paying for Chambers' role in apprenticeships, employers also pay apprentices' training allowances. The only federal funding for apprenticeships is for the vocational colleges that deliver off-the-job training.

The only government funding Chambers might receive would be for specific, targeted work, for example helping particular cohorts of young people to find an apprenticeship. Chambers have been involved in federally-funded programmes to upskill refugees for example, and to connect them with employers. Often, funding for work in deprived areas or with deprived communities will come from the European Social Fund.

Because Chambers are funded by employers, their work is directly influenced by their employer members' priorities. All vocational learning decisions made by chambers go through their VET committee, which is made up of employers, employees and vocational teachers, and union members in the case of Chambers of Commerce. Employer organisations also play a big part in Chambers' decisions around apprenticeships. Because Chambers are directly accountable to and in close contact with their member employers,

decisions relating to apprenticeships are closely informed by employer and employee involvement.

### Effects of funding and policy on intermediaries

Compulsory employer membership and the associated fees ensures that Chambers exist nationwide, and that every employer has access to the apprenticeship support and services they offer. This means that employers have an obvious place to turn to for advice on apprenticeships, and also helps to underpin a consistent offer, which employers operating in multiple locations expect from all the different Chambers they belong to.

Both types of Chambers belong to umbrella bodies, which help them to cooperate closely, for example bringing sectoral experts together from Chambers across the country. IT systems are fairly consistent across all Chambers of Commerce and Industry, and the process for registering apprentice contracts is shared by all, meaning multi-location employers only have to deal with one system.

While Chambers report that the majority of members are happy with the apprenticeship support and services they offer, Chambers are limited in the volume of activity they can provide as they really only receive funding from their members. This means that the timescales for things like responding to employer requests can be longer than they would like. However, the direct accountability created by the membership model is seen to be very effective, with direct lines of communication between Chambers and their members, and clarity around who is responsible for what within the VET system. One Chamber representative reported that they prefer not to receive any federal funding, as their member-funded model allows them to be truly member-orientated.

Chambers' varied roles around apprenticeships, including both support and policing of training standards within employers, can cause some challenges. Being funded by the same employers who they also have to inspect can be a source of tension. Employers are aware of Chambers' legal roles, and Chambers attempt to enforce standards in a customer-oriented way, but sometimes they do have to remove the right to deliver training from their members. These employers would still be legally obliged to be a member of the Chamber, but it is difficult to see how it would not damage the relationship.

### How intermediaries contribute to quality

From an employer's perspective, quality can be considered as someone gaining the skills and competencies that employers need through completing their apprenticeship. This represents success for both the individual and the employer if it results in a new entrant to the labour market that meets employer needs.

Chambers contribute to this through their role in shaping what apprentices are taught, and monitoring the quality of on-the-job training that apprentices receive. As they also administer examinations, they play a role in ensuring that qualifications are rigorous and trustworthy. Because of their close relationship with their member employers, and the fact that their apprenticeship work is embedded in wider employer engagement and support, Chambers have a good understanding of employer needs, which they use to inform their apprenticeship activity.

Because Chambers also have wider roles in business support, economic development and addressing skills needs, they have good insight into local labour markets, and skills requirements at a strategic level as well as with individual employers. This intelligence



helps to inform their work on apprenticeships and ensure it is coherent with the wider skills and labour market context.

Chambers' role in quality-assuring employer-led training also contributes to maintaining the quality of German apprenticeships, with all employers required to deliver at least a minimum standard of training or risk being forbidden to train apprentices.

*This case study was developed using information from discussions with representatives of Chambers of Commerce and Industry and Chambers of Craft in Germany.*

## CASE STUDY 2: THE US

### Key points

- Intermediaries exist to supplement federal and state efforts to engage employers with apprenticeships, create new apprenticeship programmes, increase overall numbers of apprentices, and diversify those taking up an apprenticeship
- Intermediaries are seen as a way to support employers to engage with and navigate apprenticeships, as the provision of information is not enough to guide employers through the whole process
- There is no official definition of an intermediary in the US, but the Department of Labor (DOL) outlines the types of activity they carry out: 'a conduit between employers... to accelerate apprenticeship program development and... broker new... apprenticeship partnerships'
- DOL has been funding intermediary activity since 2016 through a series of competitive contracts. Much DOL funded activity has focused on expanding apprenticeships into new sectors, as well as specific priorities around diversity and quality
- Contracted intermediaries are required to create target numbers of new apprenticeships, hold a certain number of training and information sessions for employers, and meet diversity targets. DOL-funded intermediaries provide services free of charge to employers, while non-DOL funded organisations may charge
- A formal evaluation has found DOL investment in intermediaries to have led to successful outcomes
- When intermediaries work with large employers, other employers in their supply chain and/ or local area can see the benefits of apprenticeships and want to get involved in apprenticeships themselves

### Role played by intermediaries in the apprenticeship system

Apprenticeships can be registered at state or national level in the US, with approximately two-thirds of states having a State Apprenticeship Agency (SAA). Apprenticeships in non-SAA states are registered directly with the federal government Department of Labor (DOL) Office of Apprenticeship (OA). SAAs act on behalf of the federal DOL to oversee and register apprenticeships, and are run by the states' administrations. Both the OA and SAAs offer technical advice and support to employers, support the development of new apprenticeship programmes, and provide guidance on funding and training.

The number of apprenticeships in the US has grown by 64 per cent since 2012. However, at just under 600,000 active apprentices in 2021, numbers are still fairly small considering the overall population.

DOL recognises the limitations on capacity of state and federal teams to generate and meet employer demand, and see intermediary organisations as an extension of the government role. Intermediaries support both employers and learners, bringing expertise, 'know-how to bring partners together', and act as 'savvy navigators' (US civil servant). DOL also acknowledges that intermediaries can offer sector expertise that federal staff cannot. DOL has been funding intermediary activity since 2016, through a series of competitive contracts (see below for more details).

In the words of one intermediary organisation, intermediaries 'take the noise out of the air' because they are a 'one-stop shop': they have the expertise to tell employers how to engage in apprenticeships, and can support employers much more intensively than funders can. Intermediaries are 'the bridge between knowledge and delivery' (intermediary representative), providing information and guidance to employers to be able to best interact with the apprenticeship system, and make use of apprenticeship and other training funding. The existence of funding and generic information about apprenticeships is not considered sufficient to engage new employers and boost apprenticeship numbers.

SMEs rarely have the internal resources to create and manage apprenticeship programmes, so they rely on intermediaries to support them. Even in large organisations that might have more resources, it is still a complex and potentially long-winded process of agreement and sign-off, with the need for a dedicated budget.

Both the interviewed intermediary and civil servant agreed on the need for intermediaries. With limited DOL capacity, and challenging targets set by federal government, intermediaries are considered to be crucial, both in increasing numbers of apprenticeships and bringing in industry expertise.

### Types of intermediary

Intermediaries can be workforce intermediaries, industry associations, colleges, nonprofits, labour management partnerships, and workforce development boards. A wide range of organisations have been funded by DOL. There is no official definition of an intermediary, but there are certain roles that DOL expect them to fulfil.

One of the recent invitations to tender outlines the role of an intermediary: 'an entity which serves as a conduit between employers, as well as other industry partners, and OA to accelerate apprenticeship program development and help broker new sector-based apprenticeship partnerships at the regional and national level'. The specific activities required of intermediaries through these contracts are specified as:

- to launch, promote, and expand multi-employer Registered Apprenticeship models that shall:
  - scale Registered Apprenticeship Program (RAP) expansion opportunities in high-growth industries, including those that have not traditionally used apprenticeship to meet employer and sector needs;
  - increase the percentage of Registered Apprenticeship opportunities for under-represented populations; and
  - leverage Registered Apprenticeship stakeholder resources to support the long-term sustainability of programs developed through this initiative after project completion.

Organisations funded through 2020/21 contracts include industry associations, trades unions and non-profit training and employer support organisations. Apprenticeship intermediary activity tends to be one part of a wider offer to employers, sector partners or learners.

Some intermediaries have started quite organically, for example where a community organisation notices a local gap in apprenticeship provision or support and sets something up to help their community. Others may be more industry-driven, for example where a large industry organisation wants to address workforce needs in their sector.

### Intermediary purposes, structures and activities

The DOL-funded intermediary profiled in this case study is a specialist sectoral body, working in a variety of ways to grow the talent pipeline in their industry which has historically not used apprenticeships as a recruitment or training tool. Founded in 2018, the organisation has a specific mission to identify roadblocks in key high-tech sectors. They are directly accountable to DOL for contractual targets.

They work with academics, job seekers and employers in their sector to break down roles into specific requirements, and to help jobseekers understand where their existing skills might align with the sector's needs. Many of the roles within the sector have traditionally required a degree-level qualification, so there has been work required to develop new entry routes. Employers were finding it hard to recruit locally as not enough people were coming through vocational or community college routes. Employers needed support and information to understand how apprenticeships could support their recruitment needs.

Through blending subject matter expertise and apprenticeship expertise, they have developed programmes with employers to bring more new workers to the sector up to a basic level of competency to move into the sector and then progress. Intermediaries also connect employers to funding, proactively looking for ways to help employers with their costs, for example finding funds to pay for an apprenticeship coordinator within a business.

The intermediary has a board that helps to support them behind the scenes, to guide their work and build connections to other organisations. They also work with community partners and state/ regional economic development services in some regions, which can provide support with local knowledge. Community partners also help provide support for apprentices to overcome barriers.

Intermediaries funded by DOL carry out a wide range of functions, including:

- working with other industry partner organisations,
- developing a career map with structured career pathways and routes to higher level qualifications,
- raising awareness amongst stakeholders,
- creating an employer incentive programme to secure employer commitment to recruiting apprentices,
- facilitating apprentice recruitment,
- developing new apprenticeship programmes,
- developing new National Guideline Standards,
- developing informational materials,
- targeting specific disadvantaged/ marginalised groups,
- developing curricula, training and occupational outlines, competency models, alignment with existing credentials.

## Government funding model and policy priorities

Federal government investment in and policy relating to intermediaries began in 2016. Before this, DOL did not financially support any apprenticeship growth activity outside the federal government's own staff. Investment in intermediaries has gone up every year since 2016, through a series of competitive tenders.

Investment into industry and equity Registered Apprenticeship intermediaries to 'accelerate the growth of RA in the US... to create solutions to meet employers' needs for high-skilled workers and help close the skills gap' began in 2016. Contracts ran until Dec 2020. Fourteen organisations received investment, and funding was extended for ten of them. This 2016-2020 funding created 271 new apprenticeship programmes in 232 occupations for 867 employers; a total of 28,500 apprentices were registered. This had a focus on high-growth, high-demand sectors, and those without an established history of apprenticeships.

2019 saw more intermediary funding, specifically for youth apprenticeships. Four organisations have contracts to support education institutions, employers, industry organisations, labour organisations, States and others to promote and develop youth apprenticeship programmes, in and out of school. Activities include training youth apprentices, increasing 'brand awareness', hosting events with employers, brokerage between young people and employers, school engagement, creating new apprenticeship programmes, developing good practice.

In 2020 intermediary funding of \$22 million was awarded to 12 organisations to expand apprenticeships nationwide. This was focused on high growth industries e.g. IT, telecomms, hospitality, healthcare. Intermediaries were required to convene employers, determine skills needs, work with employers to develop new apprenticeships programmes and overall increase the number of apprenticeships. Intermediaries worked with employers and other industry partners to create new regional and national sector-based apprenticeship partnerships.

2021 saw a further expansion of intermediary funding, with \$8 million more for four additional national organisations, focusing on industries affected by the pandemic (care, housing, rehabilitation and childcare, electric power generation, transmission and distribution, key supply chains including semiconductors, minerals, pharmaceuticals, and transportation and logistics).

The contract held by the featured intermediary from DOL stipulates a number of deliverables in a statement of work, for example creating 850 apprenticeships per year over 5 years, holding a specified number of training / information sessions for employers, providing diversity, equality and inclusion training for community organisations, and a target of 50 per cent of new apprentices to be from under-represented groups. All of the intermediaries contracted in the same funding round have the same deliverables in their contracts. DOL-funded intermediaries should provide all their services free of charge, which helps to bring more employers on board.

Funded intermediaries can provide one-off financial incentives to employers, which seems to be highly effective in getting more employers to engage, particularly in rural areas. Intermediaries may be useful as an 'arms-length' link to government. According to the DOL civil servant, many employers don't want to deal with the federal government on

apprenticeships, seeing the paperwork as too onerous, or apprenticeships as too expensive or time-consuming. Providing one-time financial incentives is meant to ‘dull the pain’ and get employers on board. Intermediaries that are not DOL-funded may not have the resources to provide incentives.

The use of contracts rather than grants to distribute DOL funding to intermediaries is not an entirely settled decision. There has been debate in the department that grants may be more suitable than contracts: when the department issues grants, the conditions are generally looser than contracts, with more freedom for the recipient to do what they want, within the overall scope. The contractual approach is considered more of a fee for a service: do what we tell you to do. The DOL approach to apprenticeship contracting has developed considerably since the first funding round in 2016, and is still evolving.

The suitability of contracts over grants may vary according to the type of intermediary being funded or the sector it operates in. For those working in sectors with established apprenticeship programmes and existing employer familiarity with apprenticeships, the contractual approach may be the most appropriate funding model. However, where intermediaries are working to expand apprenticeships into new sectors, contracts may be less suitable, as the lead-in time to actually generate new, live apprenticeships can be considerable. Finding meaningful measures and outcomes to fund via a contract, particularly for a new sector, is a challenge the DOL are working on. Where the primary role of an intermediary is engaging with employers, with a view to apprenticeship creation further down the line, how can ‘engagement’ be meaningfully measured?

Two policy priorities for DOL are expanding youth apprenticeships, including how to tailor apprenticeships for young people, and diversifying apprenticeships, to attract groups other than white males. Alongside this, there is a focus on apprenticeships as good quality jobs with wage progression and high standards such as working conditions and safety. Efforts towards these priorities are in part delivered through OA contracts: the 2020 invite to tender specified that intermediaries must increase the percentage of apprentices from under-represented populations; in the US these include disabled people, women, ex-offenders, young people, minoritised groups and Veterans.

Intermediaries not funded by DOL might get funds from a range of places, for example their members (industry organisations) and state level funding. Some might generate their own income through charging a fee to employers, which SMEs might find off-putting. Even those that are DOL-funded are likely leveraging other funding. Non-DOL funded intermediaries are generally driven by their local communities, and actively engaging with employers, particularly in states with low numbers of apprenticeships.

As well as DOL intermediary funding, there are also sizeable grants for states to expand apprenticeships as well: in 2019 there were grants totalling \$73 million to states. There are also other grant programmes mainly going to education institutions or industry organisations that do not appear to be considered as intermediaries.

### Effects of funding and policy on intermediaries

In the view of the featured intermediary organisation, it might appear that setting up apprenticeships is relatively simple, but in reality a lot of work is needed behind the scenes. Funders need to recognise that successful apprenticeships involve more than simply setting up a scheme, but require a ‘whole ecosystem’ to ensure apprenticeships are a viable and sustainable option.

Having contractual requirements to generate specific numbers of new apprenticeships is considered limiting by the intermediary, particularly given they are working in a sector without established apprenticeship knowledge and practice. In high-tech sectors for example, there is often no history of apprenticeships at all, so the intermediary has to start from the ground up. The time needed to build up to actually seeing new apprentices in their roles is considerable.

The limited length of funding contracts, for example 24 months for the 2020 round of contracts, is also considered as a hindrance to providing long-term support to employers. Without guaranteed long-term funding, intermediaries can lack capacity to ensure the programmes they are creating are sustainable: once a programme is established it needs maintaining and adjusting to take account of new skills, new work processes, and to support the growth and expansion of knowledge and skillsets over time. According to the intermediary, most organisations need the support of an intermediary to enable this work to keep apprenticeships up to date, as most employers no longer have dedicated apprenticeship teams.

The drivers behind funding policy include political imperatives. Political leaders want to see quantifiable results from DOL investment: how many millions have been spent, and how many apprenticeships have been created? Although DOL is aware of the effort and activity required to build employer and sector capacity and bring partners together, these outcomes are “squishy” (civil servant) and therefore not meaningful to political leaders.

Politician-friendly outcomes such as increased numbers of apprentices are more realistic in an industry like construction than an industry which is not ready to recruit apprentices straight away. DOL tries to take a flexible approach to account for some sectors having apprenticeship infrastructure in place and others not, for example making year one target outcomes ‘softer’ than year two in new sectors. This in theory allows intermediaries to lay the groundwork without undue contractual pressure.

DOL-funded intermediaries have to offer services to anyone in any state, whether they have an SAA or not. This can cause tension in states with an SAA, or intermediaries that are not DOL-funded, most of which tend to operate at state level. Different organisations can accuse each other of ‘poaching’ apprenticeships, taking credit for others’ work to engage employers. These ‘turf wars’ can occur where the state feels they have ownership over all apprenticeships in the state, and can result in the state putting up barriers to intermediaries registering the apprenticeships they create.

DOL has considered taking a regional approach to intermediary activity, rather than state or national, but this has not progressed into funding models or policy as yet.

### **How intermediaries contribute to success (and what is defined as success)**

A formal evaluation of DOL-funded intermediaries has been carried out, which shows that intermediaries in the 2016 funded cohort were effective in meeting their contractual targets. The majority of intermediaries funded significantly exceeded their apprenticeship creation targets, and goals to support new apprenticeship programmes. They achieved this through providing pre-apprenticeships, engaging employers through partnership working, and developing new occupational frameworks.

While this evaluation demonstrates that federal investment has led to apprenticeship growth in new industries and populations, it is important to note that federal investment is much smaller than industry-led investment in apprenticeships. DOL do not claim that their intermediary funding is the only factor in overall increases in apprenticeship numbers.

One unexpected outcome of the case study intermediary's work has been a spillover effect from working with large employers. They often find large employers tend to have a local supply chain and associated businesses in the 'ecosystem' around them. As the intermediary works with the large employer, others in the ecosystem see the benefits of apprenticeships and want to get involved.

For the featured intermediary, quality is an employer investing in their employees, new and incumbent, and creating career pathways that allow individuals to grow in a range of career directions. By working with an intermediary, employers can see apprenticeships as a way to build a pipeline of talent.

*This case study was developed using information from discussions with representatives of an intermediary and the US Department of Labor.*

### CASE STUDY 3: AUSTRALIA

#### Key points

- The Australian national government funds providers to deliver the Australian Apprenticeship Support Network (AASN): an employer- and learner-facing service
- Seven providers cover the whole country: any employer who wishes to receive support can work with an AASN provider, and every apprenticeship must be registered with an AASN provider
- AASN providers deliver Gateway Services (pre-apprenticeship) and Universal Services; apprenticeship promotion, contract administration, access to funding and other services
- Around 12 per cent of apprentices receive ongoing support from the AASN during their apprenticeship, to maximise their chances of staying engaged and completing their training
- Group Training Organisations (GTOs) also operate in Australia, acting as the apprentice employer and placing apprentices with different host employers
- AASN providers are grant funded by government, and wage subsidies are also available to employers who hire an apprentice
- Work is underway to simplify the apprenticeship system and administration; this may affect the role of the AASN in future.

#### Role played by intermediaries in the apprenticeship system

Delivering apprenticeships over a very large geographic area, with a high proportion of small employers, means the Australian apprenticeships system needs support to coordinate and scale. The prevalence of small businesses means a high number of employers who don't have the time or inclination to deal with the processes and administration needed to take on an apprentice. When apprenticeship policy is subject to regular change, the need for some form of intermediary support becomes yet stronger.

Intermediaries are supported and funded by the federal government as an effective mechanism to reach employers and locations across the country that the government on its own is not able to. Although not demonstrable through an independent evaluation, it appears that intermediaries deliver good outcomes both in terms of delivering government policy and supporting employers and learners. They fill a gap in terms of providing guidance and information to potential apprentices, and boosting demand and capacity for apprenticeships beyond what might happen organically without any proactive support. Leaving apprenticeship growth entirely up to the market is not seen as an effective option.

### Intermediary purposes, structures and activities

The Australian Apprenticeship Support Network (AASN) is the 'first port of call' for employers and learners interested in apprenticeships. The Network is made up of seven provider organisations which cover the whole country, through 130 geographically dispersed sites and around 500 'field officers'.

All apprenticeships have to be registered through an AASN provider, which can also provide advice and guidance for learners and employers throughout the entire apprenticeship process, as well as placing apprentices with employers. Most AASN providers are non-profit, with just one of the seven being for-profit, and each has a governance structure reflecting their overall model. Many also operate other employment or skills-related programmes, for example through Workforce Australia, or disability employment services.

In some regions, such as the sparsely populated Northern Territory, just one AASN provider operates. As well as the comparatively low number of residents and employers, the Northern Territory has very specific demographics, in which Aboriginal communities might need specialist support and language services. In states with much higher populations and numbers of apprenticeships, several AASN providers operate, creating a competitive market and giving employers a choice about which provider they work with. Providers will market themselves directly to employers, and they can also be found through the national government website. In the main, AASN providers are not sector-specific, but work with any employer on their patch.

AASN providers deliver services under two main headings: Gateway Services and Universal Services. Gateway Services take place pre-apprenticeship. The AASN provider will screen candidates and potentially test their existing skills, offer them advice, and try to match candidates with suitable apprenticeships and employers. One of the aims of Gateway Services is to make the best match between candidate and apprenticeship, to improve the chances of successful retention and completion. Gateway services also operate in schools, providing vocational training advice to pupils and matching them to appropriate job roles.

Universal Services incorporate all the administrative, promotional, contractual and payment services that actually make the apprenticeship system work. Employers do not pay for any of these services, which include:

- Marketing, information and advice about Australian Apprenticeships
- Initial assessments of prospective apprentices and employer to determine support needs
- Training Contract sign-up and administration
- Eligibility assessment for the Australian Apprenticeship Incentive Programme/Incentives for Australians Apprenticeships and Trade Support Loans



- Client progress contacts for the duration of the Training Contract
- Facilitate and administer payments to employer and Australian Apprentices under the Australian Apprenticeship Incentive Programme/Incentives for Australians Apprenticeships and Trade Support Loans; and
- Engagement with State Training Authorities throughout the apprenticeship life cycle

Source: <https://www.gtntgroup.com.au/aasn-services/our-services/universal-services>

AASN providers also offer in-training support, provided to around 12 per cent of apprentices to support them during their apprenticeship and minimise the chances of them dropping out. Recipients are identified through predictive analytics, which determine those apprentices at highest risk of non-completion, who are then allocated a mentor. The support, which can include psychological support, can be offered repeatedly throughout the apprenticeship. One AASN representative estimates that demand for in-training support outstrips its availability, but that the volume of provision is limited by its costs.

AASN providers are bound by a code of conduct which sets out their responsibilities around: providing information to employers and apprentices; providing assessments for learners to find the most appropriate training provision; linking potential apprentices with employers, either directly or through employment support partners; providing ongoing support to employers and apprentices throughout their apprenticeship, including advice and pastoral care to enhance completion rates. This advice and pastoral care requires AASN providers to build and maintain relationships with the apprentices they place throughout their apprenticeship, and to be ready to address any needs or difficulties that might arise.

The other type of intermediary in Australia is a Group Training Organisation (GTO), which represent around eight per cent of the apprenticeship market. They act as apprentice employers, ‘loaning’ the apprentices out to host employers. Using a GTO reduces the administration and management burden and risk for an employer who wants to host an apprentice, but does not have the capacity to do so, or cannot provide the full learning and training experience an apprentice needs. By helping employers to navigate the apprenticeship system and reducing the commitment and complexity, GTOs help to boost apprentice numbers.

The Australian government maintains a register of GTOs, of which there are over 200 currently listed. Some have a sector focus, some work in particular geographic areas, and some target their activity towards particular groups within the labour market, such as long-term unemployed or minoritised ethnic groups. Some GTOs are non-profit, others are registered profit-making companies. The GTO interviewed for this case study is a non-profit industry association, with a board made up of their member organisations and independents, which include employers.

The GTO is responsible for all elements of the apprentice’s employment including hiring, paying wages and other entitlements such as holiday pay, and additionally for ensuring apprentices receive and complete their training, and providing any support they need during their apprenticeship. GTOs also manage their relationships with host employers, helping them to solve any problems that may arise. They may move apprentices from one employer to another, for example if a small employer cannot fulfil all the training needs.

Some AASN providers also have a GTO function, but the majority of GTOs are not involved in delivery of the AASN. Some GTOs are also registered training providers, employment support providers or disability support providers as well, and may deliver other government-funded activity which is complementary to their apprenticeship work. GTOs work with a range of partner organisations, including Chambers of Commerce and industry associations.

### Government funding model and policy priorities

Federal (national) government funding is available as an employer incentive to take on an apprentice or a trainee in target sectors. This has been as high as 50 per cent of the apprentice wage, but is now around 10 per cent.

Federal government is focused on using wage subsidies to address particular labour market challenges. These include significant skills shortages, in part due to the halt of inward migration during the pandemic. There are also specific policy objectives relating to apprenticeships, for example increasing completion rates and engaging more disadvantaged people, that are in part delivered through the targeting of their wage incentives.

This is part of a shift in how this funding is framed by federal government, moving away from considering it a universal wage subsidy and more towards considering it as wraparound support or workforce development support, and with a specific focus on particular groups or industries.

There is also work underway by federal government to simplify apprenticeship systems and processes to allow more employers to navigate them independently, potentially reducing the amount of administrative support needed from the AASN. If and when this is achieved, the role of AASN providers may well change to focus on other areas or gaps in the system (as yet unspecified). This IT-based simplification effort will shift the system away from a very customer-focused service model to a much more automated one, which expects employers to drive their own engagement with the administration and funding of their apprenticeships.

AASN providers receive grant funding from federal government to provide their services. The overall scale of funding is driven by demand: if demand for apprenticeships was to rise, the amount of funding in the AASN programme would rise. AASN contracts last for five years, with each funding round involving providers putting in tenders to deliver the specific mix of services required by government. A proportion of the grant is paid upfront, with the rest being drawn down over the life of the contract.

AASN providers have KPIs to meet as part of their grant conditions, for example to make regular contact with their apprentices throughout their apprenticeship. These KPIs are designed to ensure that there is at least a minimum service level delivered to every employer, and to support the achievement of policy outcomes such as raising completion rates. After a proportion is paid for commencement of an apprenticeship, other payments are triggered by milestones during the apprenticeship lifespan, including completion.

KPIs will vary according to the location of an AASN provider: in such a large and mostly sparsely populated country, requirements are adjusted according to the location, and also potentially the local employers. Industries such as mining might dominate in areas with

otherwise low numbers of employers, so the requirements for the AASN covering that area will be tailored to reflect the circumstances.

For some years the split of grant payments has been weighted towards commencement, incentivising providers to sign up higher numbers of apprentices and employers and get their apprenticeship started. This was to increase the proportion of the overall Australian workforce that are apprentices, as this had been declining up until the Covid pandemic. There is now interest in shifting the incentive structure towards increasing completions.

There are also instances where AASN providers receive additional 'performance payments', in recognition of additional, targeted activity. For example, during the Covid pandemic apprentices received additional payments and AASN providers received payments for delivering this.

GTOs use the wage subsidy funding to reduce the rate they charge host employers for their apprentices. There used to be specific federal funding for GTOs to help cover some of their costs, including the apprenticeship administration and the ongoing support they provide to apprentices and employers. That has now ceased, but some states continue to provide GTO funding, again for the purpose of specific policy priorities as outlined above.

GTOs also take advantage of other targeted state-level funds, including Covid recovery programmes and sector-specific efforts in agriculture or hospitality, in the form of wage subsidies. These go towards offsetting the GTOs' costs as the apprentice employer. As AASN services are free for employers, they are incentivised to try the AASN before going to a GTO, and may only use a GTO if they need a lot of additional support to deliver an apprenticeship.

### Effects of funding and policy on intermediaries

As outlined above, the payment model for AASN providers has until recently been firmly tailored towards increasing the number of apprenticeship starts. This has therefore incentivised AASN providers to focus on building relationships with employers and convincing them firstly to create an apprenticeship vacancy, and secondly to support the set-up process. Although further payments are made at later points in the apprenticeship, the model has not overtly incentivised AASN providers to support employers and apprentices through to completion.

This is now being re-assessed, and other elements of AASN provision are set up to support completion, such as the in-training support. However, encouraging more completions is not as simple as adjusting the funding model, as rates are also affected by wider labour market changes, as outlined in the following section.

Quantifying and reporting the level of support provided by GTOs to their apprentices and employers can be challenging; from the outside, much of this work is invisible. The GTO representative interviewed for this case study suggested more funding should be available for this work - potentially funds that could be freed up by making apprenticeship administration simpler, thereby reducing the need for AASN activity.

Intermediaries, both AASN providers and GTOs, that perform a range of functions as well as their apprenticeship activity, such as training or employment support provision, may be funded via a range of different government funding streams as well as state funding. This leads to a complex funding model, in which they may have to manage different

contractual requirements, compliance regimes and reporting processes. Different federal funding programmes have different requirements around targets, outcomes and deliverables. Some require surveys to understand what worked and didn't about the service, others might be interested in how quickly learners or jobseekers are engaged on a programme and placed into training or apprenticeships. As well as being burdensome, this fragmented system also appears vulnerable to policy change, and GTOs have reported that it is a threat to their financial viability.

Because a GTO acts as apprentice employer, they have more 'skin in the game' and therefore more incentive to perhaps act beyond what they are funded to do in order to deliver a good quality apprenticeship: "if there's some gaps in ... funding, you're going to make it up as the employer to do it anyway... because you're the legal employer you've got to make sure you're doing the right thing". The GTO in this case study sees GTOs as a model that joins up the disparate parts of the apprenticeship system into a more coherent offer for learners and employers.

The complexity of the funding system also affects learners and employers, with multiple programmes available but no single point of contact or access. As well as funding AASN providers, federal government also funds a network of employment support providers that also work to place people into work, and help employers to fill vacancies.

### **How intermediaries contribute to success (and what is defined as success)**

Both Gateway and Universal Services that are provided by AASN providers are designed, in part, to maximise the chances of an apprentice completing their apprenticeship. Through pre-screening candidates, actively matching candidates and employers, and providing ongoing support throughout the apprenticeship, the hope is that completion rates will be improved, and therefore more sustainable labour market outcomes for individuals, and a more skilled workforce for employers.

However, there appears to be a lack of clarity about what constitutes quality in Australian apprenticeships. Even if completion rates are improved, this may not actually improve labour market outcomes for those apprentices. For example, some skilled trades require apprentices to pass an independent industry test before they can work in the sector, as well as completing their apprenticeship. In some trades, only around one in three apprentices that complete also go on to pass the industry test, meaning they are not fully qualified and able to work. According to the interviewed GTO, some funding contracts consider apprenticeship completion as the mark of quality, despite the fact that they may not go on to pass the industry test and therefore work in the industry they trained for.

One other barrier to quality and successful apprenticeships is the lag between how the labour market has changed and how apprenticeships are structured. Particularly in the newer service-oriented part of the apprenticeship landscape (as opposed to the more traditional trades-focused roles), the ways in which people are employed can be incompatible with doing an apprenticeship. Working several part-time jobs, or zero hours contracts, does not fit with the apprenticeship model.

There are also opportunities for apprentices part way through their training to switch from a relatively low-paid apprenticeship to a higher, non-apprenticeship job. This job switching constitutes a failure of the apprenticeship, as they do not complete their training, but probably represents a success for the individual as they move to a more lucrative role. The current apprenticeship model and funding is not able to flex or adapt quickly enough to respond to these labour market changes.

Because GTOs are the apprentice employer, they are ultimately responsible for apprentices successfully reaching completion. To maximise completion rates, GTOs can provide extensive in-apprenticeship support, as well as moving apprentices around multiple host employers. The case study GTO considers their model to be particularly successful as they tend to work with learners who need additional support, and are less able to navigate their own career path. GTOs consider themselves as much more than just a recruiter, simply placing apprentices in work: “We really try to have the apprentice at the centre of the service... [and] getting a skilled workforce for an industry as a whole”.

*This case study was developed using information from discussions with representatives of intermediaries and umbrella bodies in Australia.*