

**Are degree apprenticeships
'over-regulated'?**





Apprenticeships are a highly regulated form of skills training involving complex accountability structures to deliver quality and value for money. This structure also applies to degree apprenticeships (DAs), predominantly offered through universities and other higher education institutions (HEIs). It is evident that, if we compare the regulation of traditional degrees to degree apprenticeships, the latter is a step change in the culture of universities.

Sean Baker, Business Development Manager, Aptem

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In 2021, the UK government decided to task Ofsted with the inspection of degree apprenticeships, affecting universities, colleges and other providers in the higher education space.

Since April 2021, degree apprenticeships have been regulated by Ofsted, ESFA, the Office for Students (OfS), and Professional, Statutory, and Regulatory Bodies (PSRB) as well as referencing expectations of The Quality Assurance Agency for Higher Education (QAA) and Designated Quality Body in England (DQB) (see the table in p7&8).

An independent report commissioned by the OfS interviewed sector stakeholders. The respondents expressed concern about the 'bureaucratic burden' resulting from the oversight of Ofsted along with changes to policy and funding requirements, which was "practically and culturally heavy to carry and manage". As one commentary noted:



There was a sense that the sector's collective energy was balanced towards, and perhaps even driven by, inspection and monitoring requirements.

Liz Cleaver, HE Consultant

The decision to empower Ofsted in this way has reignited debate about the value and purpose of degree apprenticeship regulation in universities. Specifically, do the multiple chains of accountability enhance quality for learners or inhibit it? Does the well-meaning desire to deliver quality through regulatory oversight disrupt the university sector's fine-tuned capabilities to provide high-quality degree apprenticeship programmes? This eBook will explore this debate.

As well as considering some upcoming challenges in the sector throughout, this eBook will identify where regulatory oversight could function more effectively. Finally, we will examine what universities/higher education providers can do to meet the regulatory requirements while protecting what they do best – delivering high-quality degree apprenticeships in tandem with traditional degrees.



Does the well-meaning desire to deliver quality through regulatory oversight disrupt the university sector's fine-tuned capabilities to provide high-quality degree apprenticeship programmes?

The regulatory structure of quality in degree apprenticeships – past and present

Before April 2021, higher education providers (HEPs) were required to meet the OfS's Conditions of Registration, which included the B conditions on Quality and Standards. These outlined the expectation that programmes would be "well-designed" and offer a "high-quality student experience". The central practices of the UK Quality Code (UKSCQA/QAA, 2018) were set out as indicative behaviours against conditions B1, B2, B4 and B5 of the regulatory framework.

In addition, the Apprenticeship Accountability Statement laid out the quality assurance structure (see table on p6&7).

HEIs understand that the regulatory requirements of degree apprenticeships are distinctive. However, HEIs also deliver conventional degrees and, as the report published by the OfS notes, the cycle of quality assurance for the degree element "could not be changed wholesale", hence "HEPs... operated and maintained a hybrid approach to quality management which could meet both sets of monitoring requirements."

Now, Ofsted is responsible for inspecting all apprenticeship providers and is concerned with the quality of training provision. The OfS retains oversight of the degree element alongside traditional degrees, so is focused on the external quality assurance of integrated DAs where the end-point assessment is the degree. Ofsted will report its judgements to the OfS and the ESFA, with the latter determining any course of action necessary. ([Source: Office for Students](#)).

Why the change? Ofsted had been lobbying for nearly four years to take over quality inspections for degree apprenticeships. Ofsted Chief Amanda Spielman has said several times that some university DAs were "repackaged graduate schemes". Ofsted is also keen to ensure consistency across degree apprenticeship provision¹.

¹ [feweeek.co.uk/2021/04/01/ofsted-wins-battle-to-inspect-all-apprenticeships/](https://www.feweeek.co.uk/2021/04/01/ofsted-wins-battle-to-inspect-all-apprenticeships/)
[feweeek.co.uk/2021/04/01/a-university-learning-experience-is-very-different-to-what-a-typical-inspector-will-be-familiar-with/](https://www.feweeek.co.uk/2021/04/01/a-university-learning-experience-is-very-different-to-what-a-typical-inspector-will-be-familiar-with/)

Degree apprenticeship regulatory framework

Accountable body	Function
 <p>Department for Education</p> <p>Acting through the Education and Skills Funding Agency (DfE/ESFA)</p>	<p>Overall accountability for the apprenticeship programme and apprenticeship policy and strategy.</p> <p>Operation of the Apprenticeship Service, the Register of Apprenticeship Training Providers and the Register of End-Point Assessment Organisations, and the funding and auditing of training providers.</p>
 <p>Institute for Apprenticeships & Technical Education</p>	<p>Development, approval and review of apprenticeship standards and end-point assessments (EPA).</p> <p>Approves funding bands for apprenticeship standards.</p>
 <p>Ofsted raising standards improving lives</p>	<p>Inspection of the training of all apprenticeships, including levels 6 and 7. However, they are not focused on the degree or the delivery of academic standards.</p>
 <p>ofqual</p>	<p>Regulations of qualifications, examinations and assessments in the UK. Where apprenticeships include a qualification on the Register of Regulated Qualifications, they are subject to Ofqual.</p>

Accountable body	Function
 <p>Office for Students</p>	<p>Independent statutory regulator of higher education and regulates HE provision for those on its register, with particular interest to access and participation, widening participation and how DAs support these priorities.</p> <p>Provides information to Ofsted and takes account of Ofsted inspections in the regulation of providers on its Register.</p> <p>Responsible for delivering external quality assessment (EQA) for integrated degree apprenticeships in England, with advice from the Quality Assurance Agency.</p>
 <p>Quality Assurance Agency (QAA)</p>	<p>Review of standards and quality in universities and colleges. Produces sector guidance. Also now regulator for universities acting as EPA for Integrated EPA standards.</p>
<p>Professional, Statutory, and Regulatory Bodies (PSRBs)</p>	<p>Oversees professional body assessments and accreditation of degrees/awards</p>
<p>Government policy documents</p>	<p>Government policy documents the increasing role of universities in local areas</p>
<p>Customer surveys e.g. National Student Survey. Feeds into university rankings.</p>	<p>Employer and learner needs and satisfaction</p>
<p>Teaching Excellence Framework and, in an indirect way, the Research Excellence Framework.</p>	<p>Wider quality-control frameworks in universities</p>

Where regulation is contentious

Ofsted inspections are merely the latest hurdle to deal with. DAs are affected at the macro and micro policy levels, suggesting a need for rationalisation. We will consider these issues below.



Policy change exhaustion: UK politics is turbulent, with swift changes of policy and ministers. Often, a policy is announced without the risks and consequences being assessed. This can impact providers and the quality of provision, which requires periods of continuity to consolidate good teaching and management.

One example of this problem is the announcement in November 2021 that universities would need to set ambitious new targets for retention, and expand participation in degree apprenticeships. [Financial incentives were also being considered.](#) Widening participation is a good policy, but it requires significant thought and planning to implement effectively.

Another was that, in the ESFA funding rules for 2022 to 2023, the Association of Employment and Learning Providers noted that despite big (and mostly positive) policy changes to off-the-job training rules – active training periods, recognition of prior learning, and timelines for a change of employer, for example – providers [had only a few days to implement them.](#)

In 2022 the Johnson administration collapsed. After three months, we had a new government with a very different policy agenda, [particularly around 'levelling up'](#), for which training and skills were a core priority. The rapid demise of Truss and the ensuing chaos has put much government business on hold. It will always be a struggle to deliver reactive changes and maintain consistency in standards in the context of swiftly shifting policy/regulatory change.



Lack of shared goals: Aligned with the problem of political instability is the lack of shared goals between regulatory institutions. The DfE, for example, through the Institute, aims to make savings where possible, which can counteract the Institute's priority to deliver effective and good-quality apprenticeships according to its agreed Standards. Other political decisions also impact providers. In early 2022, the government announced new retention targets for providers – a funding rule which states that providers will be penalised if they have more than 100 delayed completions or withdrawals by being subject to 'enhanced monitoring'. Providers have said this policy will [disproportionately affect larger providers](#) with more learners.

We can also look at data collection. Providers are required to collect the same data twice for the Individualised Learner Record (ILR) and the Higher Education Statistics Agency (HESA) returns, often with no mapping available from one to the other. This disparity creates even more data collection requirements for already overburdened learners and HEIs. [An example of this](#) is sex/gender. The ILR records sex as male and female, whereas HESA allows the category 'other'.

These issues speak to a lack of 'joined-up thinking' between institutions, and create unnecessary burdens on providers and learners alike.





The combined governance, data, compliance, technical and regulatory framework requirements for universities that deliver Degree Apprenticeships are generally complex to follow, at times duplicative and come with a higher cost and administrative burden, emanating as they do from multiple organisations, with often quite different perspectives on how compliance and regulation should be achieved.

It seems at times to many of us that this complex web of regulation, whilst put in place for the right reasons, can often suppress or stifle the very innovation, flexibility, careers and skills development and, of course, quality and excellence that policymakers espouse on behalf of employers and the wider economy.

Steve Dewhurst, HE Product Director, Aptem, and former Director of Apprenticeships, Buckinghamshire New University



Ofsted remit: The CEO of the University Vocational Awards Council (UVAC) expressed concerns that Ofsted, as a body traditionally focused on schools, FE and level 2/3 apprenticeships, is not sufficiently contextualised to higher education settings. Reports have emerged from some HEIs that inspections have been 'bog standard'. Some inspectors did not know what the Teaching Excellence Framework was, and there was not a proper consideration of the role of PSRBs in regulating integrated degree apprenticeships.

Further, the fact that Ofsted is concerned with the apprenticeship and training, not the degree component, creates a dilemma where integrated degrees are concerned. UVAC says at levels 6 and 7, professional competence is taught through a combination of theory and practice in which the degree is central, often as part of the requirements of a PSRB.

Ofsted insists that it is only concerned with the quality of education and will not 'routinely' be conducting audits of apprenticeship providers, a responsibility which lies with the ESFA. However, [FE Week reported](#) that one charity was downgraded from 'reasonable' to 'insufficient' progress following a 'tip off' about apprenticeship pay and unsuitable employment.

These issues raise questions about whether Ofsted's remit is appropriate and clear. UVAC says it is working with Ofsted to try and ensure expertise in the HE space.

Since the inspection regime of DAs changed and inspections begun, the results have been mixed, with some achieving outstanding grades and others disappointed². For those employed to guide level 6 and 7 providers through the Ofsted inspection regime process, however, the view is that it should not weaken institutions that are sufficiently prepared and understand what is being assessed³.

² feweek.co.uk/inconsistent-quality-of-degree-apprenticeships-at-university-slammed/
feweek.co.uk/ofsted-finds-degree-courses-rebadged-as-apprenticeships-at-university/
feweek.co.uk/move-into-apprenticeships-loses-universitys-outstanding-ranking/
feweek.co.uk/high-praise-for-university-in-first-tranche-of-ofsteds-level-6-and-7-apprenticeship-inspections/

³ strategicdevelopmentnetwork.co.uk/universities-prepared-for-ofsted-inspections/
ucq.ac.uk/guidance-for-providers-of-degree-apprenticeships-preparing-for-ofsted-inspection/
www.aptem.co.uk/university-ofsted-inspections-more-opportunity-than-risk/



There is a perception that the DfE had backtracked on its commitment to minimise the regulatory burden on HEIs. HEIs continue to be regulated for the apprenticeship programme by OfS but will additionally be inspected by Ofsted for the same provision.

Mandy Crawford-Lee, CEO, UVAC





Funding bands & inflation: Since their inception, some degree apprenticeship standards have had their funding bands cut after review, including chartered management and digital and technology solutions professional. However, most cuts have been directed towards lower-level apprenticeships. With inflation and rising energy prices, increasing the running costs of programmes, there is as yet no corresponding rise in apprenticeship funding.

In June 2022, the government [pledged to invest £8 million](#) to encourage universities to start or expand degree apprenticeships; however, it has not specified how it will use the money. As of October 2022, with the government in transition once again, we do not yet know how this agenda will impact education and skills training.



ESFA audits: In 2022, the [ESFA began conducting audits](#) of HEI apprenticeships, focusing on initial needs assessment, price negotiation, off-the-job learning requirements, collection of co-investment and compliance with funding rules. Karl Bentley, FE Funding and Data specialist at leading auditors RSM UK, explains the remit of the ESFA: “The ESFA assurance approach is a review of the data submitted to support the funding claim. The agency is very much interested in the ILR data that you submit on a monthly basis. They are interested in your data, the funding, and your evidence to support your funding claim. The ESFA assurance review does not comment on the adequacy of the control framework, nor does it look at how you run your business nor at the quality of your provision. Their primary objective is to corroborate the funding claim.”

As UVAC points out, non-compliance can lead to the withdrawal of funding, severe financial consequences and bad publicity for the sector as a whole. Universities, it says, need to demonstrate that they are not simply rebranding existing degrees or focusing on the degree, not the apprenticeship.

Regulation and quality – benefits and drawbacks

Industry experts shared with us the benefits and drawbacks of regulation as it currently stands.

Benefits

- ✓ Highly structured regulation is essential because of the need for accountability when public money is being spent and industry required to contribute to the Levy.
- ✓ There is clear guidance as to the expectations on providers.
- ✓ The government has encouraged new, often private providers into the field. While established institutions such as colleges and universities have established mechanisms of quality control, new providers need to be inculcated into the delivery of quality.
- ✓ Regulation can be founded on national best practice in delivering quality.
- ✓ Public bodies such as Ofsted, the OfS, the QAA and so on have years of experience in delivering and educating providers on quality. However, as UVAC observes, there is a need for bodies like Ofsted to contextualise what they do to HE.
- ✓ Regulation can be punitive, particularly when it comes to funding. However, quality control tends to be cumulative and formative (see, for example, Ofsted) and therefore should be seen as a potential learning experience.
- ✓ Oversight of quality protects the learner, who trusts the institution with their future.

Drawbacks

- ! Resources can be pulled away from student-facing towards back-end administration.
- ! As we have already seen, there is a considerable and ever-changing bureaucratic burden which could be rationalised with no detriment to quality control.
- ! Apprenticeships have introduced an entirely new layer of regulation in HEIs that doesn't necessarily align with existing systems and processes, therefore:
- ! Universities and other long-standing HEIs offering apprenticeships have to invest in people, resources and systems to ensure compliance needs are met.



£8 million

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Managing regulation

Apprenticeships are likely to continue to be highly regulated. Providers wishing to enter this space face a minefield of regulatory expectations, a certain amount of policy chaos and limited funding, as we have already seen. However, there is substantial demand for degree apprenticeships from employers. The government has not yet announced any lessening of a commitment to encouraging more people to take advantage of level 6 and 7 apprenticeship training. The sector may hope that the DfE will make regulation more effective and connected at the macro level.

But how can providers mitigate these risks, particularly when it comes to ensuring they can deliver quality programmes? Here we include best practice advice from experts in the field for managing the process.



Within HEIs there needs to be a better understanding of what the difference is between an apprenticeship and a ‘standard’ degree. Expert support across the sector is widely available and HEIs need to ensure there is investment in specialised resources to deliver a high-quality apprenticeship provision that meets the needs of the employers, and is in line with apprenticeship funding regulations.”

Steven Willis, Operations Manager, Centre for Apprenticeships & Skills, Middlesex University



Knowledge: Providers must do their research. They need to understand the quality assurance landscapes and the expectations of providers, employers and individuals. Providers also need to review and understand the best practices in delivery, innovation and the key features of the integrated model.



Preparation: Once a provider has the proper knowledge, meeting regulatory requirements is primarily about preparation to demonstrate that they meet the criteria. HEIs need to prepare for ESFA audits and Ofsted inspections, and have specific challenges when launching new programmes and expanding provision.



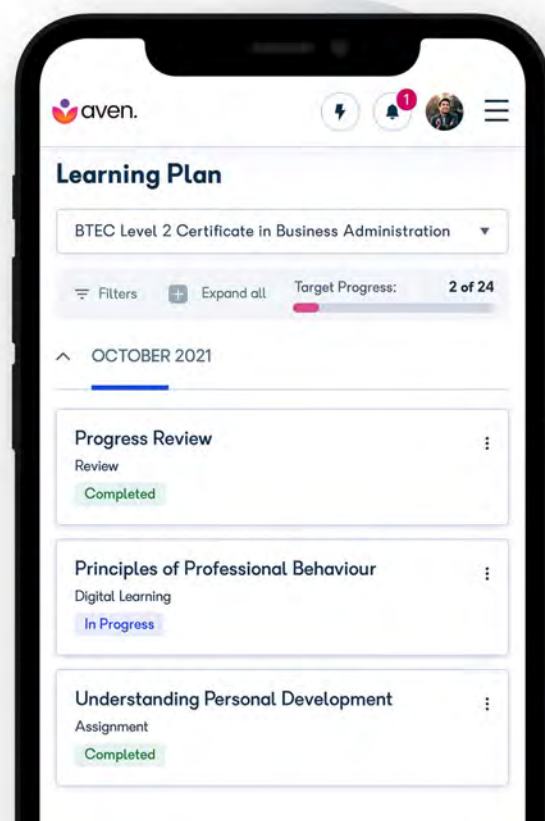
Support: Industry representatives such as UVAC and support services provided by membership organisation the Fellowship of Inspection Nominees (FIN) are critical to understanding best practices and negotiating apprenticeship compliance. These bodies can also empower providers by lobbying to change policy where necessary. For example, UVAC, in collaboration with FIN, has been working closely with Ofsted to advise on contextualising inspections within the HE landscape, culture and practices.



Staffing: Given the complexities of apprenticeship regulation, staff time and expertise to support programmes is vital. Providers cannot 'make do' by adding to the workloads of the existing workforce. A dedicated team is better placed to support the teaching programme to deliver on quality. HEIs, says UVAC, also need to consider institutional leadership and governance as well as curriculum planning and delivery to meet Ofsted's remit.



Technology: Apprenticeship compliance has driven innovation. New learning management software, of which Aptem is one example (and we believe the best), automates many aspects of onboarding, learning plans/progress, and compliance. Aptem also manages data collection, vital for monthly ESFA returns and Ofsted inspections. Automating learning and compliance also releases staff time to focus on teaching and strategic planning.




In conclusion

HEIs face a plethora of regulatory oversight when they choose to enter the degree apprenticeship space. We have explored how apprenticeship policy, when it comes to compliance, could be reformed to lift some of the burden on providers, particularly when it comes to inconsistencies and a failure to look at the unintended consequences of policy change.

However, there are measures that HEIs can take to ensure they are able to meet regulatory requirements, and we have explored these in this eBook.

Degree apprenticeships have been an incredibly effective and popular addition to the apprenticeship space. It is vital that they can be sustainable, and that the regulatory burden doesn't become counterproductive. The sector can play a key role in ensuring that we have rational policymaking, sharing best practices with the institutions, and making use of the best technologies.

Thanks to expert contributions
Mandy Crawford-Lee, UVAC,
Steve Dewhurst, Aptem,
Sean Baker, Aptem,
Karl Bentley, RSM UK and
Steven Willis, Middlesex University.



Degree apprenticeships have been an incredibly effective and popular addition to the apprenticeship space. It is vital that they can be sustainable, and that the regulatory burden doesn't become counterproductive.

If you are an organisation that helps deliver further education and employment programmes and would like to transform the way you deliver in a cost-effective, efficient and compliant way, get in touch:

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