Dear Members of the Education and Gaelic Committee,

The Royal Society of Edinburgh's Education Committee welcomes the opportunity to provide evidence to the Scottish Parliament's Education and Gaelic Committee's inquiry into apprenticeships. Our contribution for the meeting draws on RSE work, as well as further consultation with members of the RSE's Education Committee for the purposes of this specific session.

General remarks

We would begin by making a general remark, which has important connotations for what the inquiry is intending to cover. The inquiry description frames apprenticeships as mainly relevant for young people. We suggest that the Committee may wish to consider a wider scope of technical and work-related training, recognising that learners are diverse and often require not only initial training such as provided through apprenticeships, but upskilling and reskilling through their working lives. The RSE has repeatedly emphasised the need to consider the education and skills system across the lifespan particularly given today's rapidly evolving world of work, influenced by technological, social, and environmental changes.

This requirement is also aligned with Scotland's ambitions for just transition and to address current skills shortages.

The strongest argument for expanding apprenticeships is their effectiveness in converting training investment into sustained employment. By design, Modern and Graduate Apprenticeships integrate learning with paid employment, providing an immediate connection between skills development and labour market demand.

However, the capacity to expand apprenticeships is fundamentally constrained by employers' ability and willingness to recruit. More than 90% of Scottish apprenticeship employers are SMEs, many operating within sectors heavily influenced by public expenditure and procurement. Fiscal pressures, uncertain demand, rising employment costs and short-term contracting arrangements all undermine confidence in long term workforce investment.

The recently announced 10% uplift in Modern Apprenticeship contribution rates is welcome and, while long overdue, goes some way towards addressing the growing affordability challenges facing training providers. However, it should be recognised as a first step rather than a comprehensive solution. Funding arrangements must reflect the true costs of delivery, including the specialist facilities, equipment and staffing necessary to maintain high-quality technical education.

Skills planning and national priority setting

One of the points raised by your inquiry is whether current apprenticeship offers meet Scotland's skills demand. This is a key point that has been explored in the work of the RSE Education Committee, which highlighted wider systemic issues in the

general approach to education and skills training and the associated reform programme at national level.

In several of the RSE's education-focused documents, including our publication *Education and Skills 2050: Future proofing Scotland*, we have emphasised the importance of increasing the pace of educational reform and developing a long-term strategy for education and skills (with a proposed time frame of 2050). To achieve this purpose, there needs to be further clarity on the purpose and goals of our education system and how its effectiveness can be measured. Arguing for parity of esteem, the RSE recognises that apprenticeships are a key part of this holistic approach to education, which values different pathways equally.

In this context, we have recommended that further education reform is geared towards bringing in more flexibility and agility in the system, making different opportunities, including through apprenticeships, available to individuals and employers. This requires diverse lifelong learning pathways that are adaptable, technologically enabled, mutually respected across education and the economy, and lead to a wide range of meaningful post-school destinations.

In our recent report, *Policy in Practice – How Scotland can get it right*, the RSE has emphasised the need for an agile, and outcomes-based assessment and qualifications system, including the use of micro-credentials, short and modular courses, and flexible pathways that allow learners, at whatever age or stage, to dip in and out of learning as their needs change. To enable this outcome then, it is recommended that the changes proposed for the apprenticeship systems also seek to address the perception gap for both educational institutions and the wider society, which privileges academic routes over vocational, technical, and apprenticeship pathways.

Moreover, RSE's analyses of the current education and skills policy landscape have emphasised a lack of coherence between its approach and the envisaged requirements of Scotland's national policies, notably the focus on addressing the climate emergency, economic growth, and social cohesion and opportunity. Our report *Gaps, overlaps and challenges* noted that the education and skills reform is not aligned with societal and industry developments and associated skills requirements. No-one can predict future requirements but a flexible education and skills system, including the overall approach to apprenticeships, that is considered alongside key national priority areas would help ensure a thriving future for Scotland. National, regional, and local level engagement is needed, and this can only be achieved in partnership and close communication with employers from different sectors.

Revisions of current apprenticeship frameworks

While it is beyond the scope of our recent work to make detailed recommendations for the revision of current schemes, we do want to make a few comments. In our

contribution to the Tertiary Education and Training Bill consultation we welcomed the efforts to simplify and streamline the funding landscape. As there was limited detail available on the mechanisms that will be implemented for funding at that time, we cautioned that new funding frameworks should consider the different types of providers of apprenticeships (not only colleges and universities for instance) and the administrative burdens smaller providers can bear.

The RSE's report *Gaps, overlaps and challenges* acknowledges the success of the Modern Apprenticeship scheme. Drawing on available evaluations, it concludes that both Modern and Graduate Apprenticeships show improved talent retention compared to university talent, emphasising their importance in CESAP[1] sectors and role in supporting Scotland's ambitions to achieve net zero. The key recommendation is that Graduate apprenticeships, in particular, could be made more inclusive by removing age-related funding restrictions and reviewing eligibility criteria to ensure other potential barriers to participation are eliminated. This would align with the above-mentioned consideration that apprenticeships could serve different segments of our population.

In line with the recommendations provided by the Withers' review, the RSE's report recommends greater transparency in the management of the Apprenticeship Levy, which could enhance employers' participation. Working in closer partnership with industry was outlined as a key driver to ensure apprenticeship frameworks deliver training that is up to date and responsive to industry needs, that feed into the wider national skills planning efforts and ensure that existing offers address skills (especially "green skills") shortages.

Finally, our analysis of the current education system noted gaps in the measurement and availability of data for apprenticeships. Indeed, in the past we have pointed out the importance of using data across the education system[2] and ideally, the opportunity to track a person's journey through the education system and in the world of work. The availability of such data is key to ensure skills planning as set out in the current Programme for Government is informed by large-scale, cross-institutional datasets that robustly measure the full breath of learning and attainment.

Yours sincerely,

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RSE Education Committee Convener

[1] The Climate Emergency Scotland Action Plan 2020-25 (CESAP) identifies these sectors as energy and waste treatment; construction; transport; manufacturing (including engineering); and agriculture (including forestry and fishing).
[2] See for instance: Education and skills 2050: Future proofing Scotland https://rse.org.uk/programme/advice-paper/education-and-skills-2050-future-proofing-scotland/