

Overview and Scrutiny Report

Apprenticeships

February 2014



North Tyneside Council

1. Reason for the study

- 1.1 As part of the 2013/14 scrutiny work programme setting process, Elected Members and officers were asked to highlight important topic areas for scrutiny to concentrate on where improvements could be made to services and contributions could be made to developing Council policies and strategies.
- 1.2 The apprenticeship agenda and the support/opportunities available to young people in pursuing this route into training and employment was highlighted as a possible topic. The Children, Education and Skills sub-committee prioritised this topic for in-depth review during the 2013/14 municipal year.
- 1.3 The topic of apprenticeships also supports one of the priorities contained within the Our North Tyneside Council Plan 'Our Economy will have the right conditions to support investment and create new jobs, especially apprenticeships'.

2. Method and remit

- 2.1 The Children, Education and Skills sub-committee received an initial report at its meeting in July 2013 which provided information in relation to what an apprenticeship is and who provides them. It was agreed that a sub-group be established to continue look at the topic of apprenticeships. The group comprised the following members of the sub-committee:
 - Cllr Pam Brooks
 - Cllr Gary Madden
 - Mrs M Ord (parent governor representative)
- 2.2 The initial remit of the sub-group was to establish whether apprenticeships are fit for purpose and what outcomes they provide for young people. Members of the sub-group were concerned that in some instances young people were taken on as apprentices but in the long-term did not secure a position with the employer. The group learnt at the beginning of the study that apprenticeships must be delivered through a Skills Funding Agency provider and that there were around 66 providers based in the North East, with over 500 operating in the area. It was acknowledged that there is very little scrutiny of employers in terms of how they administer the apprenticeships they provide and the outcomes achieved for the individual.
- 2.3 It was noted that collation of performance information is undertaken by the funding body, the Skills Funding Agency and that little information is then shared in relation to the long-term success rates of apprenticeships. The sub-group therefore decided that, as the Council has little control over the apprenticeships delivered by other providers, it would be more useful to concentrate on ensuring that the Council are delivering the best service possible to apprentices, setting a high standard for other providers and employers to follow and encouraging employers to create apprentice positions. Members were however pleased to note that the Council, on behalf of the 7 local authorities in the NELEP area, are leading an initiative to access more performance and follow-up information from the Skills Funding Agency.

3. Findings and evidence

- 3.1 Apprenticeships are open to all individuals aged 16+ that are not in full-time education and can take between one and four years to complete. Whilst apprenticeships are available for all age's post 16, many are created and directly marketed to young people as they move from statutory and further education to work. The sub-group raised concerns that, from anecdotal evidence, some apprenticeships did not result in a positive outcome for the young person, i.e. they provided cheap labour but then did not secure employment upon completion or were not provided the opportunities to undertake tasks directly related to the nature of the advertised position. Members were reassured that all apprenticeships have to include a competencies qualification which must be achieved by the apprentice to qualify for an apprenticeship certificate. The group learnt that there are 3 levels of apprenticeship programmes: Intermediate Level, Advanced Level and Higher Apprenticeships.
- 3.2 North Tyneside Council acts as both an employer and a provider, which means that the council creates apprenticeships and also supports other employers to create apprenticeships whilst providing the training for the apprentice. The council provides apprenticeship training as part of a funding contract provided by the Skills Funding Agency. The contract is renewed on an annual basis providing progress and performance is satisfactory. Payment for delivery of apprenticeships is provided on a payment by results model, i.e payment is only provided for each apprenticeship completed and achieved. The sub-group learnt that there are over 500 training providers in the North East making it a highly competitive market.
- 3.3 The sub-group learnt that the Council has a dedicated officer whose role it is to engage with employers and encourage them to create apprenticeships. It was highlighted that the Skills Funding Agency is encouraging growth of the budget available to the Council or any other provider, therefore the Council can offer increased numbers of apprenticeships as requested by the employer. However, there has been a significant reduction in the number of employers registered with the Council as a provider of apprenticeships. During November 2013 over 80 employers in North Tyneside were contacted to discuss apprenticeships. Of these 80 only 8 agreed to a visit to discuss options in greater detail. One of the main reasons for this is that few employers are wishing to expand their workforce and when they do there is a preference for employing experienced staff into new positions rather inexperienced people. The importance of increasing the number and variety of apprenticeships available was stressed, especially as more young people seek alternatives to higher education.
- 3.4 The sub-group discussed various ways in which the Council could encourage more employers to create apprenticeships and to try to ensure that employers maintain high standards in working with apprentices, showing dedication to their learning and future employment opportunities. It was recognised that the Council has been delivering apprenticeship and skills qualifications for a number of years and have an excellent reputation as a quality provider locally and nationally. This was endorsed in May 2013 by an Ofsted inspection that graded the Council 'Good' and highlighted some outstanding features.

3.5 It was felt that, with such a positive reputation as a provider, the Council are in a good position to encourage and recognise other providers within the borough that are providing positive outcomes for young people through their approach to delivering apprenticeships. It was suggested that a North Tyneside Employer Standard be developed that could be awarded to employers that demonstrate a commitment to creating, providing and sustaining apprenticeships. This standard could include 3 different levels:

Gold – to reach this standard employers would have to provide a set number of apprenticeship opportunities in relation to the number of employees; evidence that the apprenticeships had resulted in permanent employment within the company/organisation and demonstrate that developing apprentices is part of their workforce development plan.

Silver – to reach this standard employers would have to provide a set number of apprenticeship opportunities in relation to the number of employees and evidence that the apprenticeships had resulted in permanent employment within the company/organisation or alternative employer.

Bronze – to reach this standard employers would have to provide a set number of apprenticeship opportunities in relation to the number of employees.

3.6 The sub-group felt that such a standard would encourage more employers to create and sustain apprenticeships, as they could gain some positive publicity for providing opportunities for young people. When an employer qualifies for the standard, a small presentation ceremony could take place at the employers' premises, where a certificate is handed over by the Mayor or Chair of Council and local press are invited to photograph the event. This would be at minimal cost for the Council but would create local press coverage for the employer concerned and demonstrate to other organisations the advantages of taking on apprentices.

Recommendation 1: Cabinet ask officers to devise a North Tyneside Apprenticeship standard (with criteria such as above) to award to employers within the borough that demonstrate a commitment to working with apprentices

3.7 As part of its evidence gathering sessions the sub-group discussed the current marketing strategy in place when engaging employers in North Tyneside to discuss apprenticeships and the opportunities available in making apprentices part of their workforce. It was recognised that identifying the best people to target was a difficult process and that marketing campaigns would need to ensure a return by increasing the number of apprenticeship positions created within the borough. The sub-group suggested that a cost effective and efficient way of promoting to employers would be through e-flyers, which could be distributed on a quarterly basis. This flyer could include a case study of a successful apprenticeship to demonstrate the value that employers could gain from creating apprenticeships.

Recommendation 2: Cabinet ask officers to review the marketing strategy currently in place in relation to employer engagement and devise an e-flyer that could reach as many employers as possible.

- 3.8 The sub-group noted the importance of the Council shouting loudly about the success that it has around the delivery of apprenticeships. It was suggested that celebrating success can often be forgotten about due to officer time constraints, but that the value of doing so should not be underestimated. The sub-group felt that publicity of the apprenticeship opportunities available through the Council and examples of individuals who have successfully completed apprenticeships and gained employment should be prioritised. This might help to change some of the negative perceptions of apprenticeships that they do not deliver positive outcomes for young people.

Recommendation 3: Cabinet ask officers to ensure that all opportunities are maximised to illustrate the benefits and rewards that be achieved through apprenticeships, both for the apprentice and the employer

- 3.9 The importance of providing ongoing support to employers and apprentices once an apprentice starts with an employer linked to the Council as the training provider was highlighted throughout the review. The group learnt that a close working relationship is maintained to support both the employer and apprentice and formal Service Level Agreements are put in place that express the expectations of the young person, the obligations from the provider and the Council as the training provider. This support is offered on a technical basis but also on a more personal level where social issues can be resolved. In the event that there is a lack of progress made by the apprentice in achieving qualification frameworks additional support can also be provided to ensure achievement.
- 3.10 The sub-group raised the importance of keeping a record of the outcomes of apprenticeships (that are created by the Council and where they are the training provider) in terms of those that secure employment at the end of the programme but also carrying out follow-up with individuals 6 months and 1 year after they have completed an apprenticeship. This would allow case studies to be developed which show the short term success of gaining an apprenticeship but also the longer term benefits it can lead to in terms of future career progression.

Recommendation 4: Cabinet ask officers to ensure that mechanisms are in place to routinely capture information on the short and long term success of apprentices.

5.0 Background Information

Report to Children, Education and Skills sub-committee – July 2013
Briefing notes to the Apprentices sub-group
Notes of Apprenticeship sub-group meetings

6.0 Acknowledgements

The sub-group would like to place on record their thanks to the following officers for the information, support and advice they have provided:

Shona Duncan – Principal Manager, Employment and Skills
Jean Griffiths – Head of Children, Young People and Learning
Emma Fagan – Scrutiny Adviser