

# Business and Property

Item No.

<b>Report title:</b>	<b>Apprenticeships Update</b>
<b>Date of meeting:</b>	<b>October 18 2017</b>
<b>Responsible Chief Officer:</b>	<b>Tom McCabe – Executive Director, Community and Environmental Services</b>
<b>Strategic impact</b> Apprenticeships are an asset to any organisation and bring significant benefits to the business and existing workforce. Apprenticeships combine on-the-job training in an organisation with off-the-job learning, and provide employers with an effective way of growing their skills base. Apprenticeships offer an invaluable opportunity to develop the expertise needed now and in the future, responding to the changing needs in Norfolk to fill skills gaps and support the economy.	

## Executive summary

This report seeks to update and inform members about Apprenticeships in Norfolk.

The Apprenticeships Norfolk Network (ANN) is a partnership of stakeholders that brings over 100 schools, employers, colleges, training providers and support organisations together. The common goals and objectives are:

- To increase the **number, level, range and quality** of Apprenticeships in Norfolk and ensure they are simple to access and effective at meeting the skills needs of businesses
- Drive change and increase productivity and efficiency
- Work in partnership
- Maximise the impact of funds, time and expertise
- Encourage new employers to take on apprentices in Norfolk
- Encourage more individuals to become apprentices in Norfolk.

Progress against these targets from 2014 to 2016 was strong with Norfolk leading the way in terms of growth in overall number, and in terms of increasing the levels studied, However performance has faltered in 2016/17 due to the effects of the Apprenticeship reforms.

The following changes to Apprenticeships have all impacted on the performance of Apprenticeships across Norfolk and the rest of England.

- The introduction of the levy. Levy paying businesses are focussed upon the development of their existing staff rather than recruiting young people into their businesses.
- The change in qualification funding levels. Apprenticeships like Business Administration and Health and Social Care have had their funding reduced which has made providers less likely to offer these. In the last year, Health and Social

Care and Business Administration were Norfolk's top two Apprenticeship sectors. Conversely, STEM subject areas have seen an increase in funding.

- The change from Frameworks to Standards. Apprenticeship frameworks are being phased out between now and 2020 and the new Apprenticeship standards are delivered very differently. Standards are assessed by an organisation independent to the apprentice, provider or the employer and require the individual to pass an End Point Assessment to complete their Apprenticeship.
- The introduction of an all age, all level service, with Apprenticeships now available for level 2 to level 7. This is leading to a rush to the top with many employers who have traditionally recruited apprentices at level 2 or 3, making a conscious decision to instead recruit those with A Levels onto a level 4/5 Apprenticeship.

#### **Recommendations:**

- 1. Work with ANN partners to support take-up of apprentices aged 16 to 24 years to address the expected imbalance created by Government reforms**
- 2. Seek funding from the Norwich Opportunity Area for a trial to support 16 y/o transition from school to Apprenticeship**
- 3. Seek funding from the Network for East Anglian Collaborative Outreach to support a trial for 17 and 18 year olds into Advanced and Higher Apprenticeships**

## **1. Proposal**

- 1.1. The employment and skills team has four apprenticeship advisers who work with young people in schools and small businesses to support the take-up of Apprenticeships. We intend to re-focus the work of the apprenticeship advisers on the progression of young people leaving school, sixth form or college at 16 to 18 who have chosen Apprenticeships as their preferred option.

The team will develop a new strategy to engage employers in the September to December period and encourage them to think earlier about if they would like to recruit an apprentice the following June.

A more formal assessment process will be implemented where young people will make an initial application to be included in the "pool" of potential apprentices and an employer/apprentice matching system will take place in the spring term where provisional offers will be made subject to results.

## **2. Evidence**

- 2.1. The most recent Department for Education figures are based on new Apprenticeship starts with levy paying employers in England through the apprenticeship service from May to July 2017. These show that of the 18,600 that were fully agreed, just 2,900 were for apprentices aged under 19.

A further 6,000 were for apprentices aged 19 to 24, while 9,700 (more than half) were for those aged 25 or older.

There is a delay in the Education and Skills Funding Agency releasing up to date data and other than the statement above, we have received no full data for Apprenticeship starts after April 2017. Please see appendix 1 for data released up until this date when the reforms were implemented.

This shows that up until the reforms were implemented, the reduction seen in

new starts in 2016/17 was largely seen in the 25+ age group. This is the result of the Health Trusts and other public sector organisations holding back starts for existing staff until they could use their levy to pay for the training.

### **3. Financial Implications**

- 3.1. This proposal is predicated on a refocus of existing resources within the Employment and Skills Team.

Our apprenticeship advisers are currently retained on fixed term contracts until 30 April. If these applications for funding are successful, future funding will be via [NEACO](#) and the [Norwich Opportunity Area](#).

In this case, the work of these advisers will become more targeted at those individuals who make a conscious choice of Apprenticeship as their intended destination at the end of their current period of education as opposed to more general promotion of Apprenticeships. This more targeted approach will better lend itself to the outcomes to be achieved by NEACO and the Norwich Opportunity Area.

### **4. Issues, risks and innovation**

- 4.1. If we do nothing to support the 16 to 24 Apprenticeships market, there is a risk that the number of young people in jobs without training will increase. As at June 2017, Norfolk had 4.3% of 16 and 17 year olds in jobs without accredited training against a national average of 2.1%. Norfolk County Council has a statutory duty to ensure that all young people participate in education or training till their 18<sup>th</sup> birthday and the changes taking place in the Apprenticeships market place could see this figure increase further if action is not taken.

### **5. Background**

- 5.1. Apprenticeships Norfolk Targets are as follows:

Number: By the end of 2019 we will create

- an additional 2500 apprentices (baseline 7212)  
(1,400 achieved by the end of July 2016)

Level: By the end of 2019, there will be

- A 25% increase in the take-up of Apprenticeships at Advanced Level  
(66% increase achieved by July 2016)
- An additional 350 Higher Apprenticeship starts  
(420 achieved by July 2016)

Range : Wherever there is significant demand from employers, we will broker a suitable Apprenticeship framework or standard and ensure it is available for delivery locally

Quality : By the end of 2019

- The number of apprentices completing their qualifications in Norfolk will exceed the national average completion rate
- Employer and learner satisfaction rates for all members will exceed the national average

## **Officer Contact**

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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