

Economic Development Sub-Committee

Item No.

Report title:	Apprenticeships - update
Date of meeting:	24 November 2016
Responsible Chief Officer:	Tom McCabe – Executive Director, Community and Environmental Services

Strategic impact

Since 2013, the formation of the Apprenticeships Norfolk Network has made a significant contribution to the council's key objectives.

- Over the last 3 years August 2013 to July 2016 there have been 21,190 Apprenticeship starts across Norfolk. Each one of these represents a new job created or an individual in work learning new skills.
- In the year from August 2014 to July 2015, there were 4,310 intermediate level starts (Level 2), 2,590 Advanced level starts (Level 3) and 390 Higher level starts (Level 4 to 7) increasing the skills levels within Norfolk.
- In the year from August 2014 to July 2015, there were 2000 16 to 18 year olds who started an Apprenticeship. 2,340 were aged 19 to 24 and 2,950 were 25 or older (60% supported young people under 25).

Progress against targets for the Apprenticeships Norfolk Network from 2015 to 2019

- An additional 2500 Apprenticeship starts from 2014 to 2019 a target within the New Anglia Strategic Economic Plan <http://www.newanglia.co.uk/our-priorities/> (Aug 13 to July 14 data used as a benchmark) Progress to end of July 2016 2360 additional starts created. **94% of target achieved after 2 years.**
- At least 50% of all starts at Level 3 or above by 2019. Last data available to end of July 2015 was **41%**. (Aug 13 to July 14 was 31%).
- An additional 350 Higher Apprenticeship Starts by 2019 (130 in 2013/14 rising to 390 in 2014/15) **74% of overall target achieved as of July 2015.**

Executive summary

Recommendations:

Members are asked to:

- **Note the strong performance in Apprenticeship starts over the last 3 years**
- **Note that the NCC Apprenticeships Norfolk Fund funding to support marketing and other activities apprenticeships ends in March 2017**
- **Note that the NCC Apprenticeship Norfolk Fund funding to provide face to face support promoting apprenticeships ends in June 2017**
- **Note that we are exploring alternative sources of funding to continue these activities**
- **Note that a further report detailing options for future service delivery will be brought to the committee**

1. Proposals

- 1.1. The Apprenticeships Norfolk Network website developed in 2014 has been hugely successful in supporting employers and individuals to access information and support on apprenticeships. Our ambition, which we know is shared by the sector, has always been to extend the service in order to allow providers and colleges to match individuals seeking Apprenticeships with employers seeking apprentices and communicate leads to them through the web portal via email, text message and social networks. We propose to develop this service over the coming months.
- 1.2. Our apprentice Youth Work Ambassadors have been a highly successful and innovative way of engaging young people. In their first year of operation, the county has seen the number of young people citing an Apprenticeship as their first choice at 16 go from 128 to 464 even though the cohort size reduced. (See Appendix 2) In addition, the latest data released from DfE shows that Norfolk has the highest number of 16 and 17 year olds in the Eastern Region participating in Apprenticeships with growth in excess of 3% compared with the previous year. Please see Appendix 3 for details. It is recommended therefore that this work is continued to 2019. (See appendix 2 and 3)
- 1.3. A continuation of the contract with Archant to provide Apprenticeship opportunity advertising through Jobs24 from 1 April 2017 to 31 July 2019 in order to continue to support a simple and effective application process for Apprenticeship Vacancies
- 1.4. Continued support and development for members of the Apprenticeships Norfolk Network including colleges and providers to ensure that the reforms to funding and delivery do not adversely affect the number, level, quality or range of Apprenticeships delivered in Norfolk.

2. Evidence

Please see the attached appendices.

3. Financial Implications

- 3.1 Currently NCC provides approximately £160,000 per annum from its core budget to support staffing of the strategic promotion and delivery of apprenticeships in Norfolk. Additional funding from the Apprenticeships Norfolk Fund (granted by elected members in 2012 to support the promotion and delivery of apprenticeships in Norfolk) currently funds the 4 Youth Work apprentices and all of the work that they do in promoting apprenticeships. This funding also supports all of our marketing and other current activities until the 31 March 2017. The work of the 4 Youth Work apprentices will cease on 30 June 2017 when their fixed term contracts and Apprenticeships are due for completion.
- 3.2 Our work focuses on supporting employers and individuals in understanding apprenticeships accessing information in a variety of ways (from websites to face to face support) as well as marketing and promotion events such as the graduation ceremony and the 'By Apprentices' event. Additionally we support the system as a whole including providers to maximise the opportunities created by apprenticeships for the benefit of the both the individual and employers allowing them to thrive and prosper within the economy
- 3.3 In order for delivery of Apprenticeship support activities to continue to July 2019, there will be a need to seek further funding in the region of £250,000. A number of possible funding streams have been identified including the

European Social Fund and funding made available for the Norwich City area to support social mobility. In light of the current financial issues faced by the council, we propose to seek funding from other sources wherever possible to avoid reliance on further core funding using the investment made by the council into staff costs for the Apprenticeship team as a match if required.

- 3.4 If this funding is unable to be sourced then we will need to review our offer on the level of service and how it is delivered and options will be put forward to members.

4. Issues, risks and innovation

- 4.1 If bids for funding of Apprenticeship activities do not align with the proposed end dates for current funding or bids are unsuccessful, there is a risk that some services currently offered will no longer be able to be offered from 2017 onwards.

These include the following:

- The loss of one to one and group work for potential apprentices in schools and across the community from 1 July 2017. This amounted to over 60 events in the last year.
- The loss of some Apprenticeship promotional and marketing activities including the inclusion of Apprenticeship Vacancies on [JOBS24](#) from 1 April 2017
- The loss of events to promote Apprenticeships during Apprenticeships week and the annual Apprenticeships Graduation Ceremony
- A reduced offer of support for employers requiring help with Apprenticeship information, advice, recruitment and selection.

- 4.2 Risks to the County Council include:

- A reduction in participation in Apprenticeships amongst 16 and 17 year olds
- An increase in the number of individuals who are unemployed or NEET
- An increase in the number of individuals who remain in jobs without training
- Increased pressure on other parts of the organisation, particularly those supporting the vulnerable
- A likely reduction or reversal in the growth in Apprenticeships seen in the County in excess of that seen in the region and across England.

- 4.3 Wider Risks associated with the reforms of Apprenticeships over the next 2 years (See background information below)

- As frameworks are withdrawn, there is a risk that Apprenticeship standards will not be adequately developed in time and therefore delivery will not be available locally. We are working with the Apprenticeships Norfolk Network providers to mitigate this risk but have no control over when the Government decide to withdraw frameworks. We already have examples of situations where framework withdrawal is hampering delivery.

- Many of the Apprenticeship standards that are already approved for delivery do not yet have any organisation approved to deliver the end point assessment. [Please see news article](#). This poses a risk for learners, employers and providers as the cost of end point assessment (which has to be paid for out of the total funding band available) is undetermined. The risk of uncontrolled costs and a possible lack of end point assessment is seen as an unacceptable risk for many. To combat this, Norfolk County Council has convened a working group of local providers to encourage them to collaborate and develop a new enterprise to provide local reasonably priced end point assessment in the sectors that matter most across Norfolk and Suffolk. Members of the group include
 - Poultec Training
 - WS Training
 - The College of West Anglia
 - Steadfast Training
 - Qube Learning
 - Broadland District Council
 - Norfolk Community Learning Services
 - Norfolk Training Services

5. Background

- 5.1 The Government is introducing reforms to the way in which [Apprenticeships are funded](#) and delivered from 2017. This is part of the Governments ambition to put employers in control of Apprenticeship Funding.
- 5.2 In addition, the way in which Apprenticeship training is delivered will also be changing considerably with the introduction of [Apprenticeship standards](#) and [end point assessment](#)
- 5.3 As a result of the above changes, all colleges and training providers wishing to deliver Apprenticeships from May 2017 are currently being forced to apply on a new [Register of Apprenticeship Training Providers](#) and apply for an allocation of funding through a tendering process to deliver to non-levy paying employers.

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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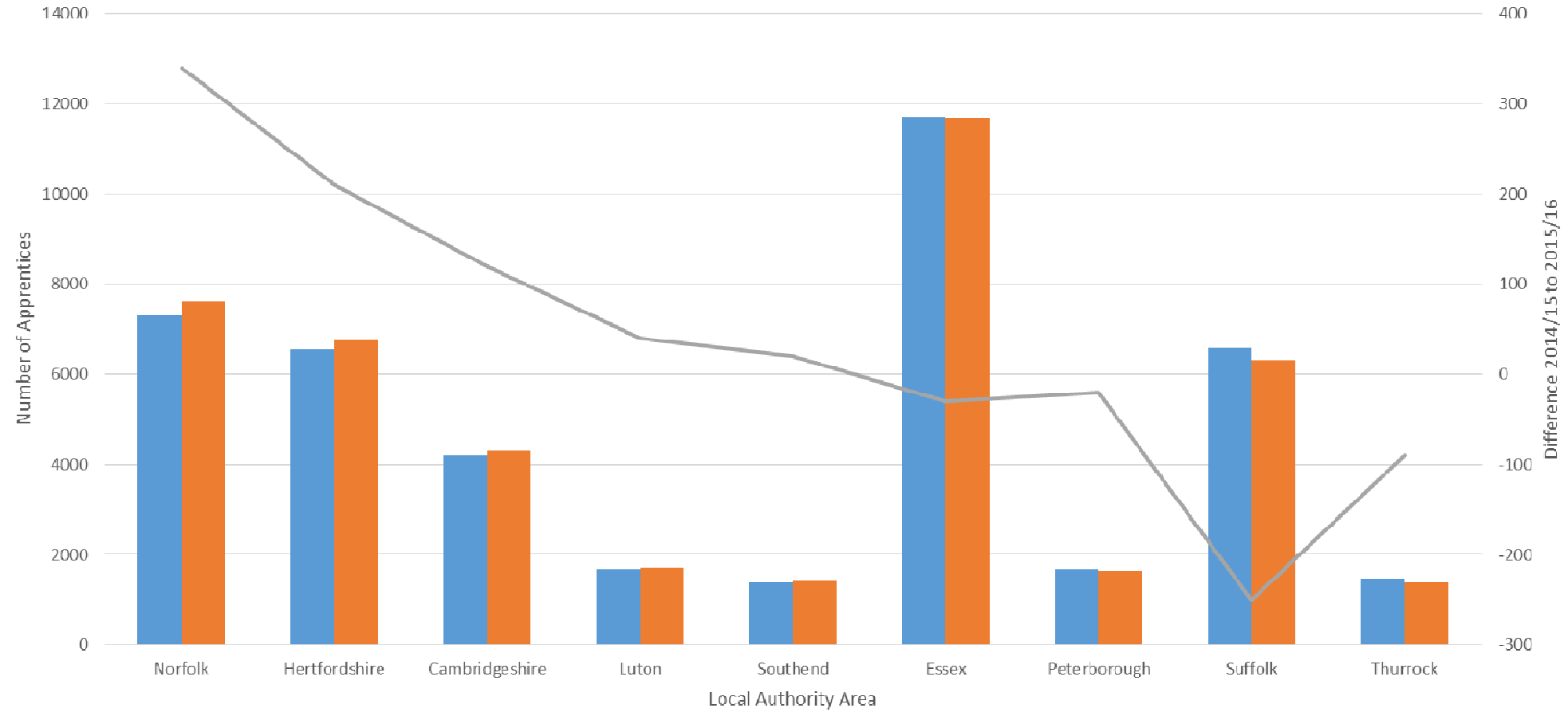
Email address : Paul.wright@norfolk.gov.uk



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Appendix 1 Data to show variation in Apprenticeship Growth between August 2015 and July 2016 when compared to the same period in the previous year across the Eastern Region.	2014/15	2015/16	Difference Year on Year	% change
Norfolk	7290	7630	340	4.70%
Hertfordshire	6560	6770	210	3.20%
Cambridgeshire	4200	4320	120	2.80%
Luton	1670	1710	40	2.40%
Southend	1390	1410	20	1.40%
Essex	11710	11680	-30	-0.20%
Peterborough	1670	1650	-20	-1.20%
Suffolk	6570	6320	-250	-3.80%
Thurrock	1480	1390	-90	-6%

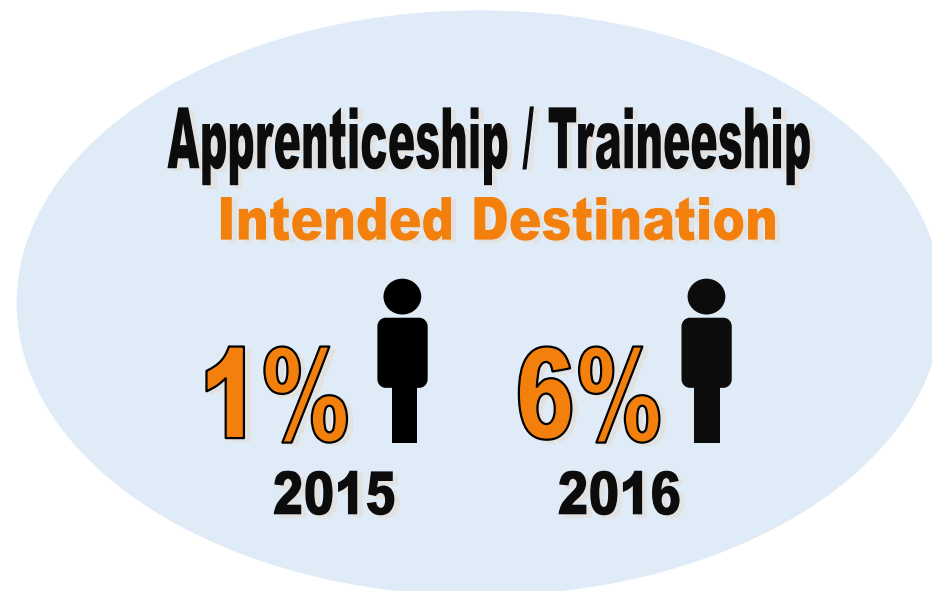
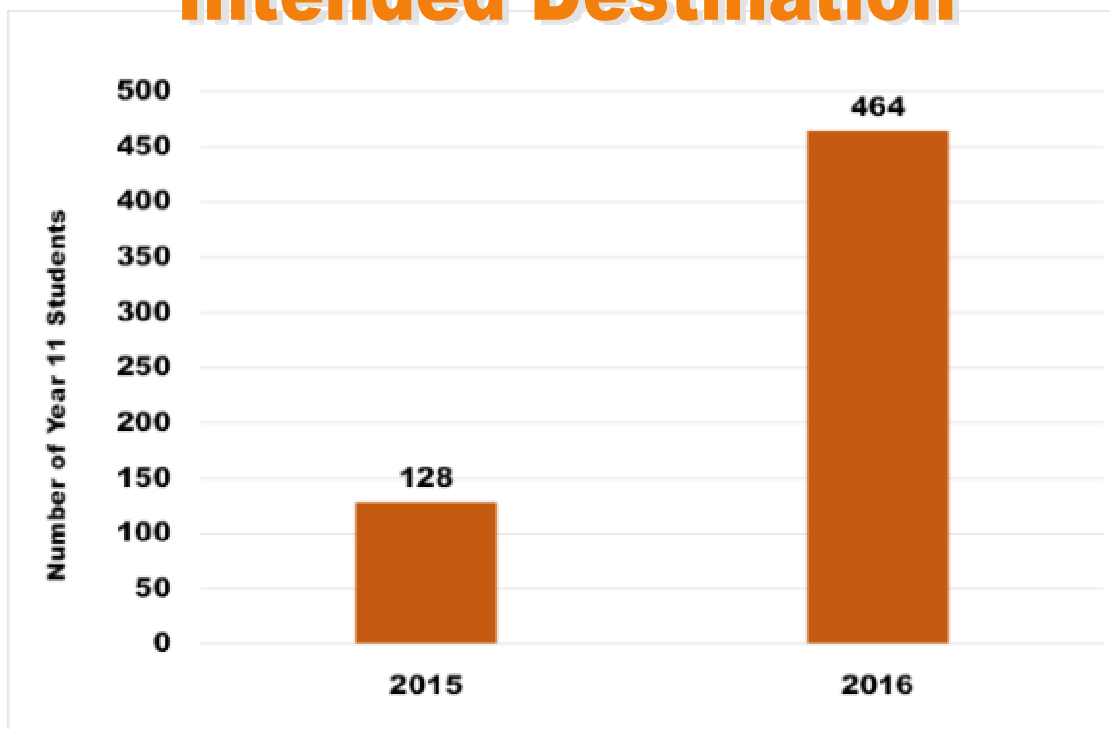
Apprenticeships across Eastern Region 2014/15 to 2015/16



Appendix 1

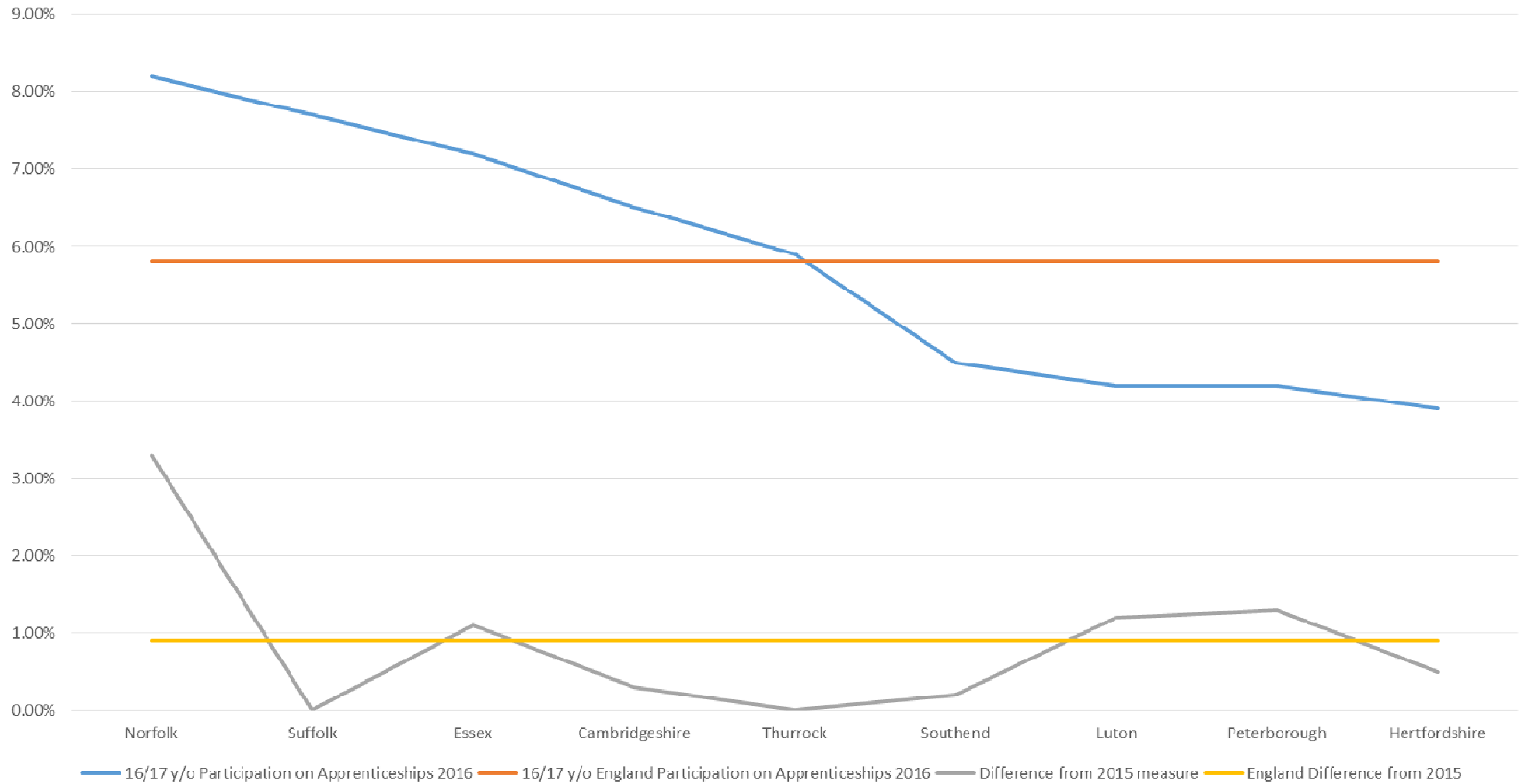
■ 2014/15
 ■ 2015/16
 — Difference Year on Year

Apprenticeship / Traineeship Intended Destination

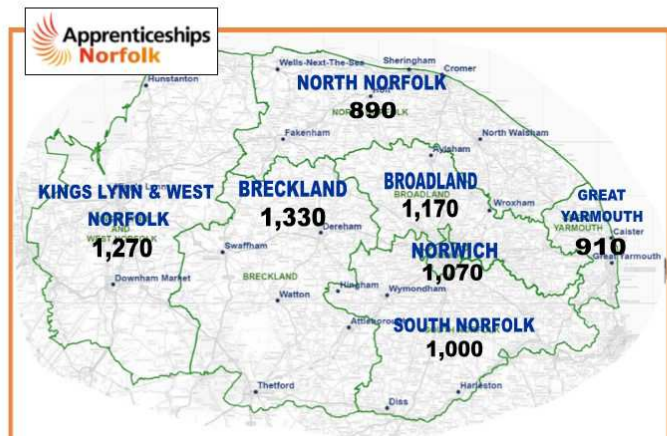


Appendix 3

Percentage of 16 and 17 year olds participating in an Apprenticeship
October 2016



Norfolk



Starts over time

2013/14	2014/15	2015/16*
6,270	7,290	7,630



% change from previous year

East of England

Starts over time

2013/14	2014/15	2015/16*
40,430	45,790	46,270



% change from previous year

National

Starts over time

2013/14	2014/15	2015/16*
440,400	499,900	503,700



% change from previous year

Appendix 5

Apprenticeship Starts by District and Occupational Area Studied. (Please note that the sector area relates to qualification studied and not the business activity).

2015/16 Full Year Provisional (2014/15 figures for comparison)												
	Agriculture, Horticulture and Animal Care	Arts, Media and Publishing	Business, Administration and Law	Construction, Planning and the Built Environment	Education and Training	Engineering and Manufacturing Technologies	Health, Public Services and Care	Information and Communication Technology	Leisure, Travel and Tourism	Retail and Commercial Enterprise	Science and Mathematics	Total
Norfolk	340(270)	10(10)	2140(1800)	290(250)	140(70)	1000(1340)	2270(2060)	130(80)	230(170)	1080(1240)	10(0)	7630(7290)
Breckland	100(70)	-	320(260)	50(40)	30(20)	160(250)	430(390)	30(20)	40(30)	180(190)	-	1330(1250)
Broadland	40(30)	-	370(290)	50(40)	20(10)	160(190)	310(250)	20(20)	50(10)	150(140)	-	1170(980)
Great Yarmouth	20(10)	-	240(230)	40(30)	20(10)	130(240)	270(240)	10(10)	40(30)	140(140)	-	910(950)
Kings Lynn and West Norfolk	50(50)	-	370(300)	50(50)	20(20)	200(200)	380(310)	20(20)	30(20)	150(210)	-	1270(1180)
North Norfolk	50(50)	-	180(170)	40(20)	20(10)	110(140)	330(330)	10(10)	30(20)	120(180)	-	890(930)
Norwich	20(20)	-	340(250)	40(30)	20(10)	110(180)	320(300)	10(10)	20(20)	190(250)	-	1070(1060)
South Norfolk	70(50)	-	310(280)	40(40)	20(10)	130(140)	240(250)	20(10)	30(30)	160(130)	-	1000(940)
*numbers rounded to nearest 10 by Source (FE Data Library) -Numbers under 10 are not shown						Red = Decrease Yellow = Static Green = Growth						

The reductions seen in Great Yarmouth are as a result of a drop in Engineering and Manufacturing starts in the area. The majority of the engineering and manufacturing businesses in this area are directly or indirectly linked to the energy industry and therefore this drop is attributed to the reductions in the oil and gas prices.

The reductions in North Norfolk are largely as a result of a fall in Retail and Commercial Enterprise starts. This category includes Hospitality and Catering and we are aware that this is an area where many Apprenticeship vacancies are never filled. The shift work nature of the hospitality industry linked with issues around access to public transport are the most often cited reasons as to why these vacancies remain unfilled. The small reduction in Engineering and Manufacturing in North Norfolk is likely due to a reduction in Apprenticeship recruitment at the Bacton Gas Terminal.

The overall drop in Engineering and Manufacturing across the County (with the exception of the West) requires investigation and it is intended that we discuss the reasons why this has occurred with providers and employers in that sector.