

ECONOMY OVERVIEW AND SCRUTINY PANEL

6 OCTOBER 2022

THE COUNCIL'S ROLE IN PROMOTING APPRENTICESHIPS

Summary

1. The Economy Overview and Scrutiny Panel has requested an overview of the Council's role in promoting apprenticeships.
2. The Cabinet Member with Responsibility for Economy, Infrastructure and Skills, and the new Assistant Director for Economy have been invited to the meeting to respond to any queries the Panel may have.

Background

3. Since 2015, Worcestershire County Council (the Council) and Worcestershire Local Enterprise Partnership (LEP) have been a founding partner and investor in the Worcestershire Apprenticeships agenda. The brand created in 2015 by the Skills and Investment team in partnership with the Worcestershire Training Providers Association was created to impartially advise young people, parents and employers about accessing apprenticeships, support the apprenticeship providers in county and to bring together several organisations with vested interests in apprenticeships under one brand to strengthen the message of apprenticeships for employers in the county.
4. Over the years, the brand has evolved but remains with a dominant focus on engagement with 16-24 year olds. The brand is dependent on direction and level of funding to the degree of activity working proactively to promote the agenda to young people in schools and Jobcentre Plus offices in the main. It also offers a helpline for young people, an embedded communications strategy, running events including celebration awards and open events to young people and parents representing apprenticeships across the county.
5. The brand works with and is promoted through a network of providers from the three local Further Education providers to the network of both local and national apprenticeship providers active in the county, all working together to increase the number of apprenticeships in the county.
6. Over the past few years, the apprenticeship agenda has continued to be a priority to the county but has also faced a number of challenges. The introduction of the Apprenticeship Levy in 2017 added a layer of complexity to the funding mechanism for employers and providers. Prior to the levy's introduction Worcestershire had annually seen over 5000 new apprenticeship starts. The levy's aim was to give larger employers greater flexibility to invest in the training they needed. It saw the introduction to all larger employers of a levy to them of 3% of their payroll bills which had to either be invested in apprenticeships or could be transferred

to other organisations to support them to develop apprenticeships. This levy was seen by some as a way to positively transform their succession plans and by some as a tax that they preferred not to administer. The support for smaller businesses to invest in apprenticeship was maintained, but employers still had to contribute more to recruit and train an apprentice. Therefore, the impact of the levy and the increased bureaucracy led to a decreased number of apprenticeship starts, falling to 4070 in 2017/18.

7. The changes in the Apprenticeship's curriculum from the traditional frameworks to new standards between 2014-2020 caused challenges for Worcestershire's small and medium sized enterprise (SME) base, where standards had been created by groups of larger employers and many SMEs struggled to cover the breadth of curriculum needed and this precluded them from having apprentices.

8. Over the past few years the 16-24 age group in Worcestershire has been impacted disproportionately by the Covid crisis, both through employment opportunities being reduced but also through a lack of opportunity to access apprenticeships, traineeships and education more widely, as well as a nervousness to enter the employment market. Since the initial impact of Covid where numbers were affected by the economic situation but also by the Covid regulations over this time, the number in the 16-24 age range have returned positively and the apprenticeship numbers in 16-24 year olds are now on par with the starts before the Levy was introduced.

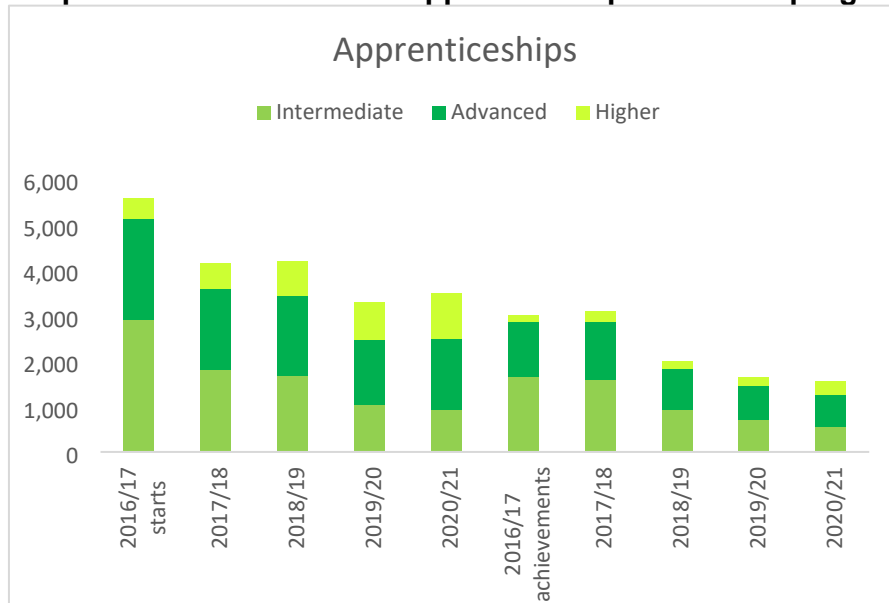
9. Over the period of 2020–2021, the county experienced a shift of focus around Apprenticeships with changes around age groups and the recruiting industry sectors reflecting the changes in the economy caused by Covid. Growth was seen across Public Services and Health during the pandemic and worrying declines in the starts within retail and engineering sectors where both covid restrictions and social distancing caused challenges in the application of the agenda. However in 2021/22, Engineering and Manufacturing appears to be in recovery with providers reporting positive cohort numbers and a positive position of 490 starts over three quarters in the last academic year.

10. The age of the typical apprentice changed over Covid and employers used over 50% of starts to retrain and upskill existing staff as opposed to considering new entrants; this can be seen in the growth of Higher Apprenticeships which have doubled since 2017 to around 800 starts per year as well as just under 1500 starts being for over 25s this year.

11. The number of claimants (number of people claiming benefits principally for the reason of being unemployed) in the 16-24 age group has grown to 4.6% but has declined from its peak of 8.5% in May 2020, equating to 1900 young people. Worcestershire has proactively supported this age group which is contributing to the county having a lower rate than the West Midlands current rate of 5.9%. Young People aged 16-18 who are Not in Education, Employment and Training has also grown to 3.6% or 454 young people in June this year and interventions are in place to support this cohort to reengage with economically productive activity.

12. Apprenticeships remain a priority to Worcestershire County Council strategically and are named as a key priority to support the county with its ageing workforce and future skills need.

Graph to show numbers of apprenticeships and their progress



Current Situation

13. Worcestershire's Apprenticeship Programme has started around 3030 young people in the last academic year to date on apprenticeship standards (one quarter remains in reporting terms). This is around 110 % of previous year levels and on par with the starts at the same point in 2017/18 which is positive. Furthermore, recent intelligence gathered suggests that Training and Further Education providers have felt revived interest for 2022/23 in Apprenticeships from both employers who are taking on apprenticeships as a recruitment method and this year's cohort of school leavers, considering this route to begin their career. A number of providers are reporting capacity challenges to taking on new apprentices to specific programmes.

14. Worcestershire has a number of challenges in provision, and although it has a strong and varied offer at all levels which in the main meets the needs of its employers, Covid has brought challenges to the recruitment market which are impacting the apprenticeship market in various ways. For instance, the recruitment of tutors to teach certain curriculum areas where rising wages in the sectors are meaning that tutors are leaving to re-enter the employment market, and this is particularly being felt in Construction and IT where provision is very light in the county.

Current Programme of Worcestershire Apprenticeships

15. **Future participant engagement** - Worcestershire Apprenticeships works with the Careers and Enterprise Programme to offer apprenticeship encounters in our 65 educational establishments from year 7 onwards. The team completed between September 2021 and July 22, 100 activities in schools and an additional 66 encounters which consisted of Job Centre sessions, Careers Fayres, Roadshows and Career Drop-Ins across the county.

16. Due to Covid restrictions, this October sees the first in-person large scale event

since 2020 for years 10 and 11 and over 11000 letters to households have been sent to promote apprenticeships as a post 16 routeway to young people.

17. The brand operates a helpline and website alongside this, funded by the European Social Fund for young people and their parent/carers to seek further support which is manned by qualified advisors who can handhold a young person through their application.

18. A recent addition to the work has been the opening of the facility for Careers Worcestershire at The Hive where young people are able to drop in to seek support should a face-to-face session be more appropriate. To date over 150 young people are in conversations with the team there and many of those have been about the potential of apprenticeships.

19. **Celebrating Success** - Every year since 2015, Worcestershire has held its Worcestershire Apprenticeship awards ceremony at the West Midland Safari Park, accommodating around 350 spectators and recognising the successes of apprentices, crowning an annual Employer of the year and an Apprentice of the year. Even during Covid where the event went virtual, over 600 people logged in to see the success and recognise apprentices across the county. Last year's winner Platform Housing and Ellie Steel were excellent ambassadors to the apprentice agenda in the County, supporting events and marketing and promotion.

20. **Common Expression of Interest for applicants** - The current apprenticeship application process is confusing and has a number of constraints where applicants wait for opportunities rather than being proactive, often only applying to a limited number of employers or providers. The introduction of a new tool for the county seeks to send more applicants across a greater breadth of providers to improve the successes of candidates and have greater successes for providers and employers, acting as a clearing house for unsuccessful candidates as well as supporting the multiple applications from one entry. This will launch in Autumn 2022.

21. **Incentives Support for applicants** – Often the barrier to apprenticeships isn't the lack of wanting to study and learn but the costs of accessing that work either in equipment, transport, pre-employment checks, additional training costs as well as others. Launching in Autumn 2022, the Council has confirmed funds to offer the county £0.5 Million of incentives scheme. This will also support the recruitment of a full-time apprenticeships manager to help move the brand further forward.

22. **Provider Access Legislation** – In January 2023, a new legislation comes into schools to support access to young people of provider encounters, to grow levels of progression into vocational and technical education. Worcestershire Apprenticeships has not only been successful in encouraging the Department for Education to change its model in this legislation but will be central to embedding a proactive programme within all schools and supporting providers to meet the requirements of the new legislation. This will be the focus of the team over the Autumn term to apply this legislation in schools and support local providers to support schools to embed a planned countywide approach.

23. **The Strategy** - The original Strategy of Worcestershire Apprenticeships remains broadly unchanged and the Strategy group reports to the County's Employment and Skills Board. The Board has an activity plan, communications strategy and oversees

the work of the partnership team. Over the last few years, it has been merged with the work of the West Midlands Apprenticeship Ambassador Employer group, which is backed by the Department for Education to join up and align workstreams and champion the agenda in the region.

24. **Workforce Planning** – As part of the drive towards Apprenticeships, Worcestershire LEP introduced the Midlife MOT tool to support our over 50s to understand their personal health, wealth and career steps towards retirement. This tool allows them to consider their retraining needs and whether employers can support these both through reskilling and the apprenticeship pathways. The tool also helps individuals with conversations with their employers about their plans and the needs of the business around succession and workforce planning. This process supports the need for new entrants into their businesses to replace lost talent over time and creates the drive for apprenticeships in the businesses.

Worcestershire County Council's Internal Apprenticeship Programme

25. Worcestershire County Council is committed to Apprenticeships as part of its workforce transformation agenda both through its support of the Worcestershire Apprenticeships agenda but also through its own workforce. Currently Worcestershire County Council has 210 apprentices on programme with 35 being directly trained by the Learning and Development team, with a planned 17 further starts in the Autumn. This internal provision includes a mix of curriculum from Business Administration, Adult Care Workers, Teaching Assistants etc. The Council's Apprenticeship strategy was signed off earlier this year with an ongoing commitment to Apprenticeships, where all roles are challenged to ensure opportunity is thought through. It is clear however that more needs to be done to ensure that all areas of the council are using apprenticeships to positively ensure that young people are brought into our employment opportunities.

26. The Council's Apprenticeship Levy spend is now being utilised at capacity with an ongoing commitment to a number of SMEs in Worcestershire which meet the priorities of the Council around Care, Early Years, Digital and others.

Purpose of the Meeting

27. The Panel is asked to consider and comment on the information provided and agree:

- whether any further information or scrutiny is required at this time
- whether there are any comments to highlight to the Cabinet Member with Responsibility for Economy, Infrastructure and Skills

Contact Points

Specific Contact Points for this report

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Background Papers

In the opinion of the proper officer (in this case the Democratic Governance and Scrutiny Manager) the following are the background papers relating to the subject matter of this report:

- [Agenda and minutes of Corporate and Communities Overview and Scrutiny Panel on 11th March 2021](#)

All agendas and minutes are available on the Council's website here.