

Young People's Education and Skills

Local Authority Apprenticeship Sub-group

Analysis of London Borough Apprenticeship data 2015-16

Item no: 5

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Summary:

The 2015-16 collection of apprenticeship data is nearly complete. The emerging trends show there is likely to be an overall increase in the number of apprentices recruited in local authorities and their supply chains compared to last year. However this follows last year's pattern which shows decreasing numbers being directly recruited and increasing numbers in boroughs supply chains. The number of apprentices recruited via Apprenticeship Training Agencies remains broadly static.

Recommendations

1. That the group notes the emerging trends outlined in the analysis.
 2. That the group agrees how the data should be used.
 3. That the group considers what, if any, actions should be taken as a result of this year's data.
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1. Background

1.1 Every year London Councils collects data from all London boroughs which show:

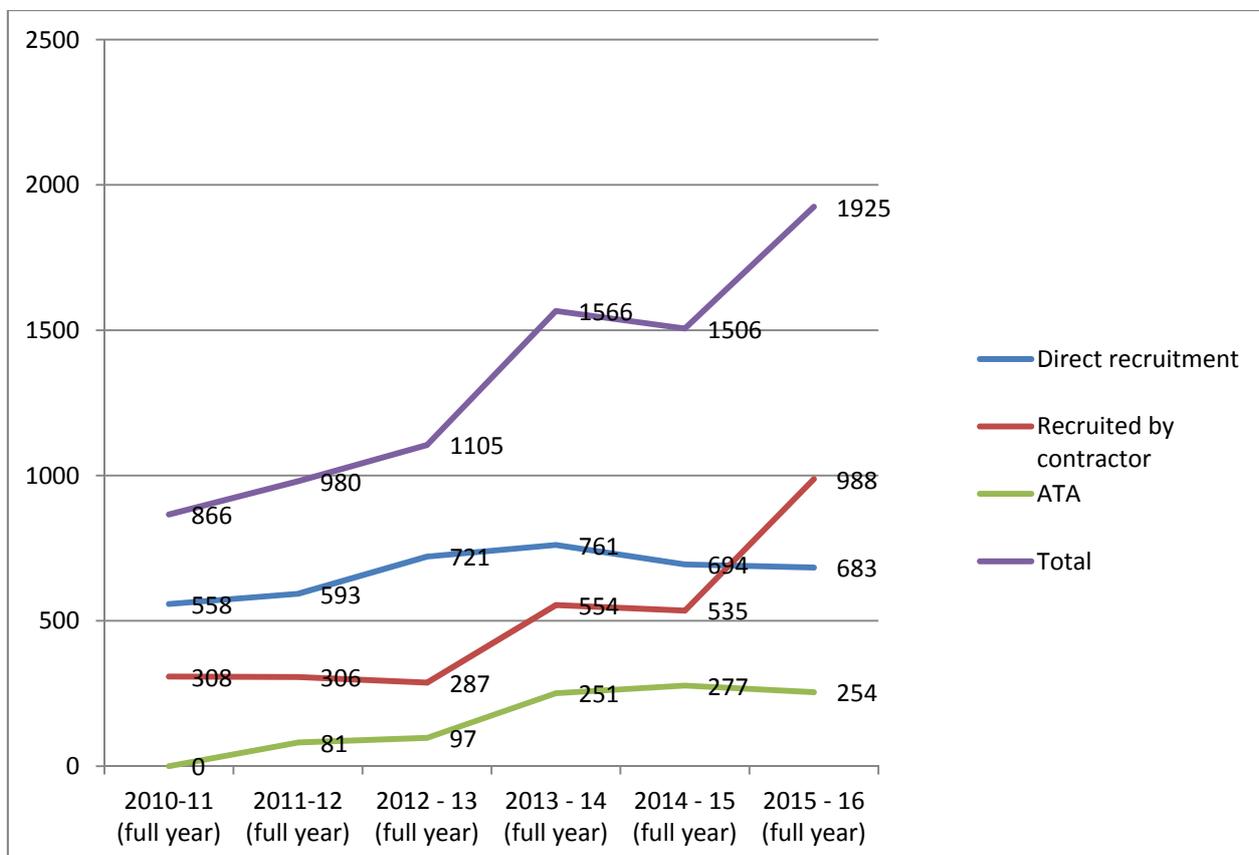
- The number of apprentices directly recruited by boroughs. Including information on age, level and the number that were previously NEET.
- The number of apprentices recruited by contractors that delivers services on behalf of a boroughs. Including information on age, level and the number that were previously NEET.
- The number of apprentices placed with ATAs where boroughs pay the salary and provide the placements for full apprenticeships.

1.2 This year's data collection started in March 2016. One borough has not responded. It is hoped that a full set of data will be available for the next sub-group meeting.

2. Emerging Trends.

2.1 The data shows that the **total number apprentices** recruited directly by a borough in 2015/16 has dropped again, however the number of apprentices recruited in borough supply chains has increased. The number of apprentices recruited via an ATA has decreased slightly. It is likely that because of difficulties monitoring the data, a number of boroughs under report on the number of apprentices that have been recruited via their contractors and therefore the true number may be higher.

Graph 1: Number of apprentices recruited by borough, contractor and ATA since 2009



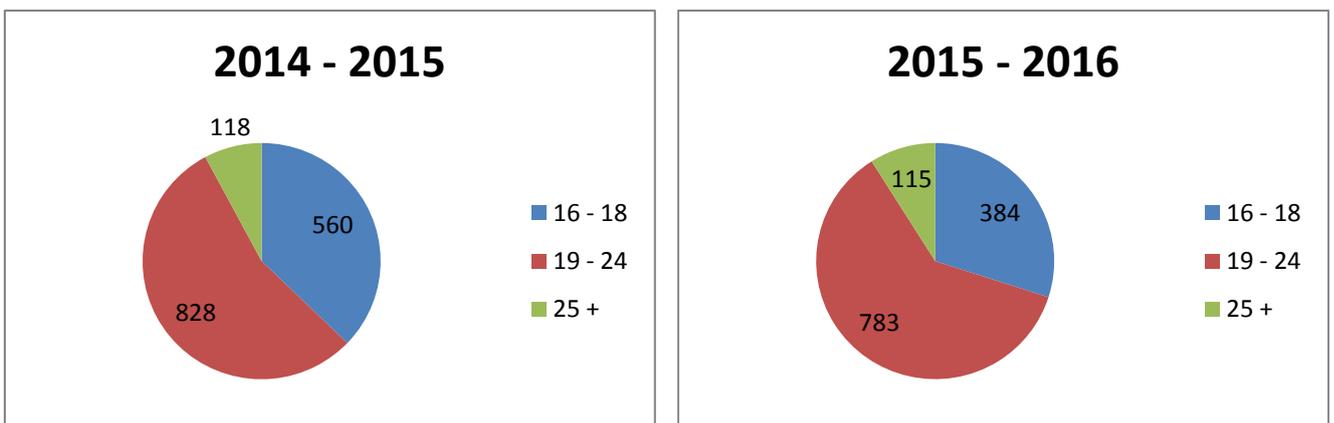
2.2 There is variation in the **number of apprentices recruited by each borough**. Please see the tabled document for a breakdown of apprentice numbers in each

borough since 2009. Variation in the numbers of apprentices recruited by borough can be due to different factors including maturity of the apprenticeship programme, demand for apprenticeships, ability to recruit appropriate apprentices and the number of opportunities in a locality (for example boroughs with high levels of development and construction are likely to see more apprentices recruited via their contractors).

2.3 There is also a borough by borough variation in the number of apprentices recruited into supply chains. There is a significant increase in the number of apprentices recruited into supply chains this year. However the tabled borough breakdown demonstrates that is largely in part due to the activity in one borough. London Councils considers this to be an area of concern as we think there is a lot of activity going on in this area but it remains under reported. One of London Councils' proposals regarding the apprenticeship target for public sector bodies is to allow boroughs to count the apprentices recruited in their supply chains towards their totals. If this is incorporated into the target, it will be increasingly important for boroughs to accurately monitor this activity.

2.4 Not all the boroughs were able to provide a **breakdown of the age of the apprentices recruited**. However for the data provided 91 per cent of the apprentices recruited were 24 and under (with 30 per cent 16 – 18 – compared with 37 per cent last year). This differs to the general profile of apprenticeship starts which shows that numbers in the higher age brackets have risen significantly and over-25s now make up 37 per cent of all starts¹. This demonstrates that local authorities in London are providing more opportunities for younger people than business more widely. Graph 2 shows the age break down compared to 2014 – 15.

Graphs 2 & 3: Age of apprentices recruited by boroughs, their contractors and ATAs (2014/2015 & 2015/ 2016)



2.5 There was incomplete data on **recruitment by level**. However, from the data collected the trends show that 70 per cent of apprentices were recruited at level 2 (877 apprentices) and 29 per cent at level 3 (366 apprentices). Only 1 per cent of apprentices (19) were recruited at level 4. This is the same profile as last year. London boroughs recruit at a similar level to the rest of the country and other businesses where:

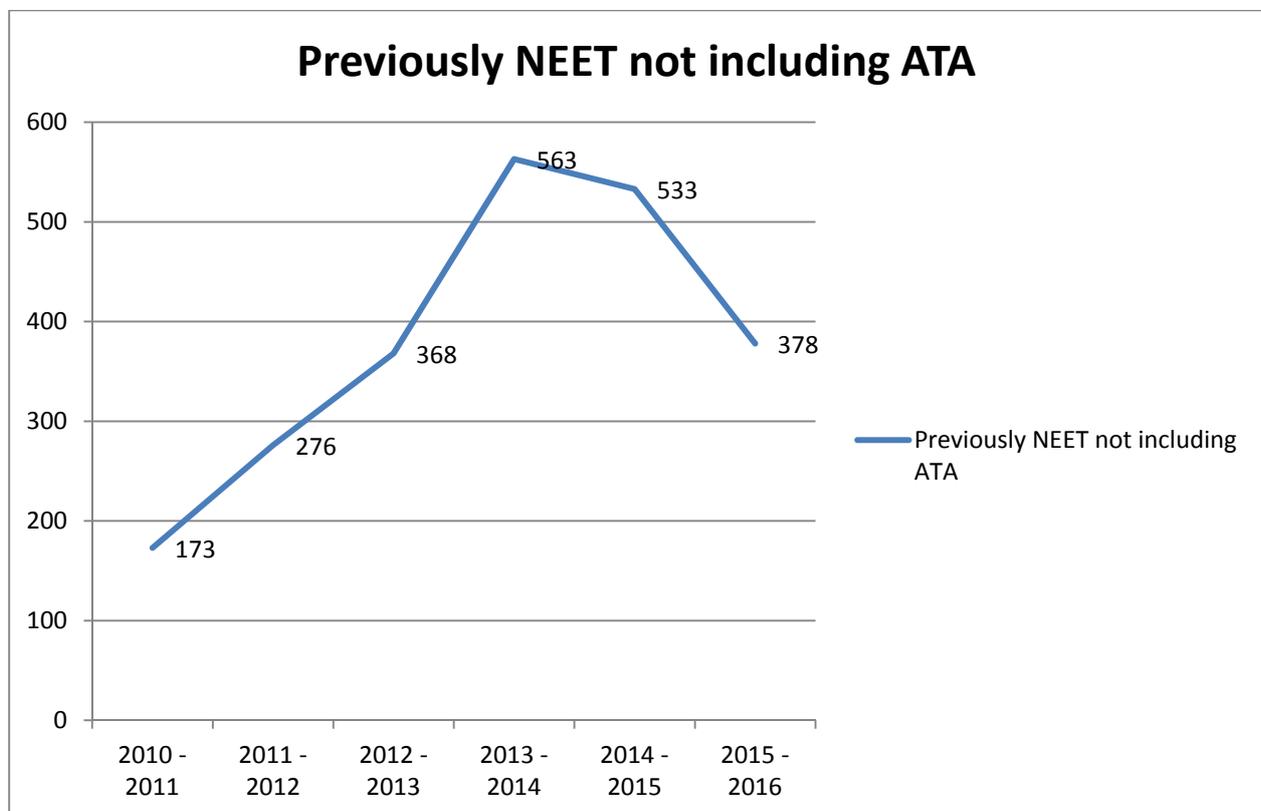
- Level 2s make up 65 per cent of provision,

¹ http://www.ippr.org/assets/media/publications/pdf/learner-drivers-apprenticeships_June2015.pdf?noredirect=1

- Level 3s make up 33 per cent
- Level 4s make up 2 per cent.

2.6 Comparing the number of apprentices that were previously NEET over time is difficult as data from 2010 - 11 to 2012 – 13 does not include apprentices recruited via an ATA. The graph below shows the data just including supply chains and direct recruitment. There is a downward trend in terms of apprentices that were previously NEET. This is also a concern given that one of our arguments for government to reconsider how it will calculate the apprenticeship target is that boroughs are undertaking significant work with NEET and harder to help people, which are more expensive to help. It would be useful to know from members of the group what the reasons could be for this reduction.

Graph 4: Number of apprentices recruited directly by boroughs and by their contractors that were previously NEET (2010 – 2015)



3. Next steps for the data

3.1 It is intended that the data will be used in the following ways:

- In a letter from Tim Shields (Chief Executive at Hackney, and CELC member for Skills) to other Chief Executives to update on trends in apprenticeships across London.
- As part of Cllr. Peter John's opening address at the London Borough Apprenticeship Awards.
- On London Councils' apprenticeship web pages.
- In a letter to Nick Boles MP to lobby against the current methodology for the apprenticeship target.

It would be helpful if the group could consider any other ways they would like the data to be used/ promoted, including how it could be used by London Councils to lobby against the current apprenticeship target methodology.

3.2 The data demonstrates a number of emerging trends which may require activities/ interventions. Some suggestions are below:

- Improved data monitoring regarding supply chain apprenticeships. Southwark has drastically increased their numbers regarding supply chain opportunities. This may be worth some focussed best practice sharing.
- The increase in numbers, although positive, is broadly down to one borough's increased activity and a number of boroughs on-going work. What more can be done to support boroughs with consistently low number of apprentices?
- Are we recording the right data – is there anything else boroughs would like to see reported on (bearing in mind we want this data collection to remain light touch)? This should be considered alongside the new data that boroughs will have to submit to the BIS secretary of state from April 2017 (new data at annex 1).

Annex 1: Data due to be submitted to BIS ([text from the consultation on apprenticeship targets for public sector bodies](#))

Public Bodies will also be required to publish and send additional supporting information to the Secretary of State to understand more about the recruitment and retention of apprentices. The required information in relation to workforce is:

- The number of employees whose employment by the body began in the reporting period in question (figure A);
- The number of apprentices who began to work for the body in that period and whose apprenticeship agreements also began in that period (figure B);
- Figure B expressed as a percentage of figure A;
- The number of employees that the body has at the end of that period (figure C);
- The number of apprentices who work for the body at the end of that period (figure D);
- Figure D expressed as percentage of figure C. (This will indicate whether the target is being met);
- If that reporting period is the first reporting period in the target period, the number of apprentices who worked for the body immediately before that period.

Bodies will also be required to send other information to the Secretary of State which we do not propose be published. We propose that this information would include:

- Information about action that the body has taken to meet an apprenticeship target set for it;
- If the public body has failed to meet an apprenticeship target set for it, an explanation of why the target has not been met;
- Information about action that the body proposes to take to meet an apprenticeship target set for the body for a future target period;
- If the body considers that a future target is not likely to be met, an explanation of why that is so.

The information will be used to determine whether or not further support is needed for public bodies to ensure that they are maximising apprenticeship growth and, where they are failing to meet the target, taking steps to redress this.