Young People's Education and Skills Board

16-18 Apprenticeship Action Plan

Item no: 8

Report by:	Vic Grimes	**Job title:**	Regional Director
Date:	19 March 2013		
Officer:	Jon Thorn	**Job Title:**	Head of Business Development, NAS
Telephone:	0207 904 0704	**Email:**	jon.thorn@apprenticeships.gov.uk

Summary This paper sets out the background and current status of Apprenticeships in London including an update against the Mayor's target as well as a specific update on 16-18 Apprenticeship activity (section 5). The paper includes details of four areas of potential investment from the LEP to further grow Apprenticeships in London.

Recommendations YPES are asked to **note** the content of the paper and consider what more can be done by the National Apprenticeship Service and partners to increase the number of apprenticeships for young people aged 16- 24 year olds.

1 Background and Introduction

1.1 The Mayor and the National Apprenticeships Service have led a highly successful joint campaign to increase the number of Apprenticeships in London. The Mayor's target has been to create 100,000 Apprenticeships between August 2010 (the start of the academic year 2010/11) to December 2012. Up to October 2012 99,740 had been achieved (final data will be published in April 2012). The Mayor has set an ambitious target to create 250,000 Apprenticeships in London over the next four years (May 2012 to April 2016).

1.2 The Skills Funding Statement 2012-15 forecasts (based on the level of investment) a 3.6% increase in 19+ Apprenticeships to 2015.

1.3 YPES' Statement of Priorities 2013-14 sets out a c10% year on year increase for 16-18 year old participation

1.4 The achievement of these ambitions is within a changing market and policy context:

- 1.4.1 The Government's expectation is on maintaining the overall numbers of Apprenticeships but with a greater emphasis on 16-24 year olds.
- 1.4.2 The introduction of FE loans for Apprentices over 24 on advanced / higher Apprenticeships
- 1.4.3 Increasing focus on quality of Apprenticeships
- 1.4.4 Impact of changes resulting from Reviews (see section 6 below)
- 1.4.5 Changes within the provision of IAG and how RPA is being presented by some schools

1.5 Within the above policy context the achievement of the Mayor's target requires 18% year-on-year growth (within the 16-24 age group) from the 2011/12 full year outturn.

1.6 The National Apprenticeships Service have worked in partnership with the GLA to engage with employers directly using the GLA's Economic and Business Policy Unit business engagement team and through joint investment in marketing and communications.

1.7 The Mayor's Office have met with the Chief Executive of the National Apprenticeships Service and agreed that the GLA and NAS will work together on the creation of a joint marketing and communications campaign that supports the delivery of the Mayor's target of 250,000 starts in London over the next four years.

1.8 16-18 Apprenticeship performance in London flat lined in 2011/12 (compared to 2010/11) and has fallen in the first Quarter 1 of 2012/13. However, the number of vacancies on NAS' Av system continues to increase and is higher in London than this time last year. Currently there are c1,000 vacancies available in London. In response NAS has developed a range of measures to address this.

2 16-18 plan: Action planned to increase 16-18 performance includes:

2.1 **Employer engagement**:

2.1.1 Continued direct mail campaign to London's SMEs which promotes the Apprenticeship Grant for Employers (supporting 16-24 year olds)

2.1.2 Extension of the AGE grant into the financial year 2013-14

2.1.3 Big business engagement - letters from the Mayor to London's major employers followed up by GLA/NAS.

2.1.4 High profile sector led strategy utilising sector specific marketing channels and high profile ambassadors i.e food industry with Raymond Blanc

2.1.5 Usage of TfL marketing inventory, radio partnerships & radio adverts and new marketing materials

2.1.6 A focus on piloting a new approach to the campaign whereby NAS works closely in boroughs to develop a bespoke local campaign. ie Hackney

2.2 **Young people communications & support**

2.2.1 Enhanced Apprenticeship vacancy support for unsuccessful applicants through 'employability workshops' delivered by AELP contracted providers

2.2.2 Employer-led employability workshops currently been developed

2.2.3 Launch of an apprentice travel concession –announced by Mayor in Apprenticeships Week 2013.

2.2.4 Continued support for the Apprenticeship Information Ambassadors Network

2.2.5 Raising awareness of Apprenticeship opportunities available through a range of media including local press (paper and online) and the dedicated smart phone app

2.3 **Marketing & Communications**

2.3.1 High profile promotion of National Apprenticeships Week and the London Apprenticeships Awards

2.4 **Working with stakeholders**

2.4.1 We have written to all Head teachers in London to ensure they are aware of the support available for providing information on Apprenticeships as an option as part of RPA. Completed Autumn 2012

2.4.2 Written to all Local Authorities seeking meetings to discuss and agree joint action to raise awareness and engagement with employers and young people. On going

2.4.3 Engaged with provider representative bodies and other partners to understand the issues and identify potential solutions.

3 Recent research on Apprenticeships

3.1 Recent research[1] conducted on behalf of NAS (July 2012), shows that London employers and apprentices believe in the value of Apprenticeships, which reflects the wider national experience:

3.1.1 99% of London employers with apprentices surveyed felt Apprenticeships were beneficial, with improved product/service quality (76%) and improved image in the sector (75%) being cited as particular benefits, and 9 out of 10 would recommend Apprenticeships to other employers.

3.1.2 Most London employers 79% employers feel there had been sufficient support available when they considered Apprenticeships. One third of employers with Apprentices surveyed had used NAS and most were satisfied with their experience of NAS.

3.1.3 The majority of London employers surveyed were very satisfied with the relevance and quality of the training delivered, with only 4-5% of employers dissatisfied on these measures. 76% of employers were very satisfied about their level of involvement and ability to select an Apprenticeship relevant to their needs, and more than two thirds of London employers were involved in decisions regarding the structure of the Apprenticeship.

3.1.4 London employers reported high satisfaction with ongoing support from the training provider (64% were very satisfied), although one in ten were dissatisfied with level of bureaucracy / paperwork involved.

3.1.5 The majority of London employers (72%) who recruited apprentices were satisfied with the quality of applicants.

3.1.6 Almost 9 out of 10 London apprentices were satisfied with their Apprenticeships experience and the majority would recommend Apprenticeships to others. 8 out of 10 believe it has improved their ability to do their job, provided them with sector relevant skills, knowledge and improved career prospects.

3.1.7 83% were still in employment after their Apprenticeship had concluded, and more than a third had received a promotion with a great majority (84%) taking on more responsibility in their job.

4. Reviews of Apprenticeships

4.1. Apprenticeships have been the subject of a number of government reviews including the Richard Review, the Jason Holt review of SME Apprenticeships, the BIS Select Committee and National Audit Office review of the Apprenticeships system and the broader review of support for economic development by Lord Heseltine.

4.2. A number of general themes emerge:

1. That Apprenticeships remain a wholly positive approach to improving the skills of individuals and the productivity of employers in England

[1] **Evaluation of Apprenticeships: London Region Findings** **Oct 2012** http://www.apprenticeships.org.uk/About-Us/Research.aspx

2. Apprenticeships need to become more responsive to the needs of employers, with employers at the heart of design.
3. That there needs to be a shift to quality rather than quantity of Apprenticeships
4. That NAS need to consider more appropriate tailored marketing, support and incentives for SME take up of Apprenticeships
5. That the brand of Apprenticeships needs to be secured – to ensure that employers value and are aware of them – and that individual's increasingly see Apprenticeships as an option post-16/18.

BIS have committed to publishing a response to the recommendations of these reviews in the Spring.

5 London LEP

5.1 NAS & GLA have identified a number of opportunities for further investment by the LEP to boost the numbers of Apprenticeships in London. These include:

5.1.1 **Enhanced employer incentives** – exploring the potential to increase/or more appropriately target the existing employer incentives (ie the NAS AGE Grant 16-24) to recruit apprentices in London.

5.1.2 A further **joint marketing and communications campaign** over the period 2014-16.

5.1.3 A **Higher Apprenticeships innovation fund** to stimulate the development of Apprenticeship frameworks at a higher level for key sectors which are significant in London but are not currently covered by an appropriate higher level framework.

5.1.4 Ensuring young people are aware of the value of Apprenticeships through the provision of impartial Information, Advice and Guidance.

5.1.5 It is expected that an application to the LEP Growing Places Fund will be made to support this activity subject to the outcome of a roundtable later in March.

Prepared by: Jon Thorn, National Apprenticeship Service