

Report of the Chief Officer Employment and Skills

Report to Scrutiny Board (Sustainable Economy and Culture)

Date 19 November 2013

Subject: Inquiry into Apprenticeships

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. Apprenticeships are a key tool to promote access to employment and skills development to support business growth and as one route to tackling youth unemployment. This report is provided as part of the evidence base to assist the Board to develop an overview of apprenticeships in the context of the city priority to drive the sustainable growth of the Leeds economy to support business growth and meet the skills needs of businesses in key growth sectors.
2. The report provides an overview of apprenticeships, how they are delivered, government policy and the current position on apprenticeship in Leeds. The Council has both a local leadership role and as an employer and the report sets out the current and planned partnership activity through two main delivery programmes - the Apprenticeship Hub and Leeds Apprenticeship Training Agency.
3. Despite significant investment by the government, local partners and business, there has been a fall in the number of young people under 19 years of age starting an apprenticeship. Further work is required to raise awareness of the benefits of apprenticeships and the wide range of opportunities available to this group.

Recommendations

4. Members of Scrutiny Board are asked to note and comment on the contents of the report.

1 Purpose of this report

- 1.1 This report provides an overview of apprenticeships covering how they are delivered, government policy and the current position on apprenticeship numbers in Leeds. Section 3 of the report covers the mechanics of apprenticeships. Section 4 summarises the current Government policy position and Section 5 details the recent and current statistics for Leeds.
- 1.2 Section 6 outlines the Council's leadership role in the city and as an employer. Sections 7 and 8 of the report provide an overview of the City's current and planned partnership activity through two main programmes of delivery - the Apprenticeship Hub and Leeds Apprenticeship Training Agency.

2 Background information

- 2.1 As set out in the Inquiry terms of reference approved on 8 October 2013, this report is provided as part of the evidence base to assist the Board to develop an overview of apprenticeships in the context of the city priority to drive the sustainable growth of the Leeds economy to support business growth and meet the skills needs of businesses in key growth sectors. Apprenticeships are a key tool to promote access to employment and skills development to support business growth and as one route to tackling youth unemployment.

3. Background Information on Apprenticeship

- 3.1 An apprenticeship is a job with an accompanying skills development programme. It allows the apprentice to gain technical knowledge and real practical experience, along with functional and personal skills, required for their immediate job and future career. These are acquired through a mix of learning in the workplace, formal off the job training and the opportunity to practice and embed new skills in a real work context. This broader mix differentiates the apprenticeship experience from training delivered to meet narrowly focused job needs. On completion of the apprenticeship the apprentice must be able to undertake the full range of duties, in the range of circumstances appropriate to the job, confidently and competently to the standard set by the industry.
- 3.2 An apprenticeship is made up of a group of qualifications, called a framework, devised by employers. It includes an NVQ (Competency element), a qualification such as a BTEC or City and Guilds (Technical element) and qualifications in key skills such as problem solving or information technology (Key Skills element). These nationally recognised qualifications give the apprentice transferable skills and the modular style of delivery enables the apprentice to achieve milestones throughout the apprenticeship. There is currently a wide choice of over 200 approved frameworks across 80 sectors covering over 1,200 job roles.
- 3.3 Apprenticeships are offered at three levels:
 - **Intermediate Apprenticeship** (NVQ Level 2) - on completion this is equivalent to 5 A* – C GCSEs.
 - **Advanced Apprenticeship** (NVQ Level 3) - on completion this is equivalent to 2 A-Levels.
 - **Higher Apprenticeships** - on completion this is equivalent to a foundation degree.

- 3.4 Apprenticeships have a minimum duration of a year for those aged 16-18 to take account of the level of experience this age group will bring to the employer. The time taken will depend on the ability of the apprentice and the employer's requirements but on average an Apprenticeship will take one year to complete, an Advanced Apprenticeship two years and a Higher Apprenticeship between three and four years to complete. This though can vary between sectors.
- 3.5 Candidates must be over 16, not in full-time education or a graduate and live in England. There are no set qualification entry requirements; each apprenticeship is different and will require a different set of skills and abilities. As all apprentices are employed in real jobs, candidates therefore need to be work ready.
- 3.6 The government currently directly funds the organisation delivering the training (a college or training provider) at the following levels:-

- full course costs if 16-18 at time of programme start
- 50% 19-25 and

It is assumed that the balance of costs is funded through the employer for those aged 19 – 25. 24+ Advanced Learning Loans are available to learners aged 24 or above to pay the fees charged by colleges and training providers for courses at Level 3 and Level 4, or Advanced and Higher Apprenticeships.

- 3.7 As an employee, the apprentice receives the same benefits as other employees including wages paid by the employer. The national minimum wage rate for 16 - 18 year old apprentices is £2.68, however, many employers pay more. On average an apprentice can earn £170 per week with some apprentices earning £210 per week. Salaries vary and can be dependent on sector, age of apprentice and Apprenticeship level.

The National Minimum Wage rate (per hour)

Year	21 and over	18 to 20	Under 18	Apprentice*
2013 (from October)	£6.31	£5.03	£3.72	£2.68
2012	£6.19	£4.98	£3.68	£2.65
2011	£6.08	£4.98	£3.68	£2.60
2010	£5.93	£4.92	£3.64	£2.50

*This rate is for apprentices under 19 or those in their first year. If 19 or over and past the first year, the apprentice receives the rate that applies to their age.

- 3.8 Most of the apprentice's time will be in employment as most training takes place on the job. For the rest of the time the apprentice studies for technical and key skills qualifications. This can be at a local college or a specialist training provider. Sometimes it can be delivered at the workplace in a training environment. Off-the-job training can be completed on day release or over a number of days in a block; the amount of time is dependent on the type of apprenticeship.
- 3.9 Apprentices have a mentor to support them at work and throughout their time on their apprenticeship. A mentor ensures the apprentice is given training that offers the skills needed for the job, satisfies national standards and fits the apprentice's personal requirements.

3.10 The National Apprenticeship Service statistics indicate that after completing an apprenticeship, the majority of apprentices (85%) will stay in employment, with two-thirds (64%) staying with the same employer. A third (32%) of all former apprentices had received a promotion within 12 months of finishing, and of those in work, three quarters (75%) reported taking on more responsibility in their job. Employers state that qualified apprentices are 15% more employable than those with other qualifications. The opportunities for career progression are increasing with the expansion of Higher Apprenticeships. These are equivalent to degrees and there are an increasing number of these specialised and highly skilled Apprenticeships being made available giving apprentices the chance to continue their professional development.

4. The Delivery Framework and Government Policy

4.1 The National Apprenticeship Service (NAS) supports, funds and co-ordinates the delivery of Apprenticeships throughout England. NAS is responsible for increasing the number of Apprenticeship opportunities nationally and providing a dedicated, responsive service for both employers and learners.

4.2 The National Apprenticeship website www.apprenticeships.org.uk provides information and advice to support learners and businesses. It includes interactive tools including the NAS Apprenticeship Vacancies (NAS AV) on-line application service which all vacancies must be advertised on. Vacancies are updated regularly and businesses and learning providers can directly place their opportunities on the site.

4.3 NAS works directly with large employers through a national key account management system. NAS works through regional offices but has limited resources to reach out effectively to engage SME businesses. However, 99% of all businesses are SMEs and the proportion of take up of apprenticeships in SMEs is just under 10% which is less than half that of larger companies. For this reason and to make best use of resources and avoid duplication of provision, the role of local agencies is primarily focused on SMEs. NAS proactively works with partnerships led by local authorities, local enterprise partnerships and local employment and skills partnerships where these exist to support these approaches.

4.4 The Specification of Apprenticeship Standards for England (SASE) sets out the minimum requirements to be included in a recognised English framework. Compliance with the SASE is a statutory requirement of the Apprenticeships, Skills, Children and Learning (ASCL) Act. The majority of frameworks set the level of guided learning hours well above the minimum in SASE and also give a clear indication of the length of the programme. Providers must ensure that their delivery models are structured to deliver these framework requirements.

4.5 Through NAS, the Government currently offers Apprenticeship Grant for Employers of 16 to 24 year olds (AGE 16 to 24). The grant of £1,500 is aimed at helping eligible employers to offer young people employment through the Apprenticeship programme by providing wage grants to assist employers in recruiting a young apprentice.

4.6 There have been significant changes to apprenticeship provision in recent years. The current Government supported an expansion of apprenticeship numbers

through increased funding allocations which prioritised 16-24 years. Initially this supported a growth in the number of programme-led apprenticeships through colleges and large training providers. These were programmes which offered work experience that enabled students to complete the work based learning element of the framework but where the individual was not directly employed. Concerns about the quality of provision and adverse media about a number of providers that delivered short courses where learners had little chance of securing employment, led the Government to review provider registrations and introduce a minimum period of 12 months for apprenticeships.

- 4.7 Subsequently there have been 3 reviews – the Commons Select Committee Review requested by MPs in October 2012, the Holt Review May 2012 with a focus on meeting the needs of SMEs and the Richards Review November 2012 taking a medium to long term view to ensure that apprenticeships meet the needs of the changing economy; deliver the qualifications and skills which employers need; and to ensure that government is maximising the impact of public investment in apprenticeships. The key themes of the reviews were:-
- Redefining Apprenticeships –to be targeted only at those who are new to a job or role that requires sustained and substantial training.
 - Focusing with greater rigour on the outcome of an Apprenticeship with independent assessment
 - Recognised industry standards should form the basis of every Apprenticeship – employers and other organisations with relevant expertise should design and develop Apprenticeship qualifications for their sectors
 - All apprentices should reach a good level in English and Mathematics before they can complete their Apprenticeship.
 - Government funding must create the right incentives for Apprenticeship training – the purchasing power for investing in Apprenticeship training should lie with the employer.
 - Far greater diversity and innovation in training should be encouraged with employers and government taking a more active role in quality.
- 4.8 In March 2013 the Government published The Future of Apprenticeships in England: Next Steps from the Richard Review. In this consultation document, the Government signalled that it broadly supported the recommendations of the Richards Review. Other changes include, the introduction earlier this year of traineeships to better prepare those individuals that are not job ready or lack English and Mathematics at Level 2. The Government has also recently consulted on changes to the funding system to link this to achievement and routing this through employers. It has set out 3 options for funding mechanisms for apprenticeships and has indicated it will announce the future approach later this year.
- 4.9 On the 28 October 2013, the Government published 'The Future of apprenticeships in England: Implementation Plan'. This responds to the series of consultation documents above and sets out policy, process and timescales for implementing changes. The Government aims to ensure that apprenticeships become more rigorous and more responsive to the needs of employers and will seek to improve the quality of apprenticeships by introducing:

- higher expectations on English and Maths and grading, eg pass, merit and distinction
- an increased emphasis on assessment at the end of an apprenticeship.

4.10 The two academic years 2015/16 and 2016/17 will be the key period of transition to full implementation of the reforms. 'The Future of Apprenticeships in England: Guidance for Trailblazers' published on 28 October 2013 sets out the next steps for this work across 8 sector trailblazers involving employers developing new frameworks. These are:-

- Aerospace, Aerospace Manufacturing Fitter.
- Automotive, Automotive Mechatronics Maintenance Technician.
- Digital Industries, Software Development and Networking.
- Electrotechnical Installation, Electrician and Maintenance Electrician.
- Energy and Utilities, Maintenance Engineers.
- Financial Services, Compliance and IFA Network Administration
- Food and Drink Manufacturing, Food and Drink Maintenance Engineer.
- Life Sciences & Industrial Sciences, Laboratory Technician, Science Manufacturing Technician and Medical Technology Technician.

5. Apprenticeship provision in Leeds

5.1 A number of measures are used by NAS to track progress on apprenticeships – the number of apprenticeship starts, apprenticeship completions and success rates by age groups 16-18 years, 19-24 years and 25 years plus. These data is collected nationally and is made available at the national, regional local authority district level. Data is measured across academic years (August- July) and collated and disseminated quarterly with a time lag of around 3 to 6 months. Data is not available at the sub-district level and information on ethnicity of learners is not provided.

5.2 Leeds has experienced a lower than average number of apprenticeship starts until recently when increases have been supported by changes in Government policy and action taken through local partnership working.

Table 1 Apprenticeship Starts in Leeds

Academic year	2005/6	2006/7	2007/8	2008/9	2009/10	2010/11	2011/12	2012/13
Number	2,100	2,320	2,770	2,830	3,650	6,946	7,204	6,576

5.3 The Leeds Apprenticeships Steering Group has enabled partnership working between local partners and the National Apprenticeship Service to increase and sustain the growth in the number of young people starting their careers through apprenticeship. The partnership held challenge events for businesses, business sponsored competitions for young people, apprenticeship fairs and sponsored a school engagement programme and resource pack taken up by 19 of the 38 high schools and academies and established an Apprenticeship Award ceremony now in its third year. After a significant increase in starts in Leeds in 2010/11 and 2011/12, the figures for the 2012/13 academic year represents a 8.7% fall on the previous year.

- 5.4 The figures for apprenticeship starts in the 2012/13 academic year by age and level are shown in the table below.

Table 2 Apprenticeship Starts 2012/13

Starts	16-18 yrs	19-24 yrs	25 yrs and over	
Level 2	1028	1308	1519	
Level 3	440	811	1391	
Level 4	5	25	49	
Total	1,473	2,144	2,959	6,576

The above figures are provisional and will not be confirmed until February 2014.

- 5.5 The total number of Apprenticeship starts in 2012/13 for 16-18 year olds was 1,473 compared to 2,264 over the previous year showing a 34.9% decrease. The frameworks with the largest number of starts were Business Administration and Law (415), Retail and Commercial Services (341), Engineering (311), Health, Public Services Care (150), Construction Planning and the Built Environment (110), Leisure, Travel and Tourism (73), Information and Communication Technology (37), Agriculture, Horticulture and Animal Care (30). Success rates in 2011/12 at 74.3% compare well with the regional rate of 74.6% and above the national rate of 73.1%.
- 5.6 While the decline in number of starts in this age group reflects the national picture it is more marked in Leeds. Possible reasons for decline in the number of 16-18 year starts include changes to the provision and the provider base in Leeds which included the cessation of programme-led and shorter term apprenticeships which have been removed as part of the Government's drive to improve quality. The shift in responsibilities for Information, Advice and Guidance from the local authority to individual learning institutions and the smaller cohort of 16-18 years may also be contributory factors.
- 5.7 There has been a 1.7% increase in the number of starts by 19-24 year olds with 2,144 starts in 2012/13 compared to 2,109 in the previous year. The following frameworks had the largest number of 19-24 years starts - Health & Social Care (261), Business Administration (253), Customer Service (245), Retail (209), Hospitality and Catering (203), Management (148), Childcare and Learning Development (89), Construction (82), Hairdressing (56) and Accountancy (49). The success rate in 2011/12 at 74.5% is below the regional rate of 77.7% and national rate of 75.9%.
- 5.8 The total number of apprenticeship starts for 25 years plus in 2012/13 increased by 4.5% to 2,959 compared to 2,831 in the previous year. The following frameworks had the largest number of starts - Health & Social Care (778), Management (462), Customer Service (430), Business Administration (214), Retail (178), Hospitality and Catering (138) Industrial Applications (115), Childcare and Learning Development (90). The total number of Higher Apprenticeship starts (all ages) has also increased to 79 from 45 in the previous year. The success rate in 2011/12 of 68.7% has fallen from 80.7% and is lower than the regional rate of 73.2% and the national rate of 72.6%.
- 5.9 The providers delivering the apprenticeships frameworks in Leeds are made up of a wide range of colleges and training providers. Under the freedoms and

flexibilities introduced by Business Innovation and Skills (BIS) colleges and training providers are no longer restricted to delivering within defined geographical areas and the market place is very competitive. The table below shows the current providers (Aug 2012 to July 2013) with the highest number of apprenticeship starts in each age group.

Table 3 Leeds – Learning Providers by volume 2012/13

16-18 yrs. Starts	19-24 yrs. Starts	25 yrs. plus Starts
Leeds City College 144 Leeds College of Building 80 Yorkshire College of Beauty Ltd 74 JHP Group Ltd 72 CITB-Construction Skills 61 ESG (Skills) Ltd 48 Key Training Ltd 47 Appris Charity Ltd 44 Bradford College 40 West Yorkshire Learning Providers 40	Leeds City College 214 JHP Group Ltd 156 First 4 Skills 140 Babcock Training Ltd 86 Leeds College of Building 76 ESG (Skills) 74 West Yorkshire Learning Providers Ltd 59 The Alternative Hotel Group 55 Newcastle College 52 Elmfield College 40	Leeds City College 253 JHP Group Ltd 238 GP Strategies 132 ESG (Skills) Ltd 127 First4Skills Ltd 123 Talent Training (UK) LLP 119 Newcastle College 98 Babcock Training 93 Bradford College 59 Hull College 55

5.10 The employer engagement rate is perceived to be lower than the regional and national average but NAS has not been in a position to provide reliable statistics for this measure. However, it can be seen from the information on starts below that the largest number of apprenticeship starts has been with small employers.

Table 4 Leeds - Starts by Employer Size 2012/13

Size	AGE	16 – 18yrs.	19 – 24 yrs.	25 yrs. plus	Total
Small		873	967	1183	3023
Medium		265	368	524	1157
Large		142	206	1297	1658
Very Large		155	561	884	1600
Unknown		38	42	71	151

6 The role of Leeds City Council.

6.1 The role of Leeds City Council in apprenticeships is to:-

- Support local SME businesses to access information and support to create apprenticeship opportunities to meet their skills needs to remain competitive and grow
- Articulating the needs of employers to ensure that appropriate frameworks are developed and provided by colleges and training providers locally to meet the needs of business and the local economy
- Providing independent information, advice and guidance to young people to assist them to make informed choices and support them to access apprenticeship opportunities

- Promote the benefits of apprenticeships as a skills development tool to both young people and business and act as an exemplar employer.
- 6.2 As a business the Council employs apprentices but it is not a registered apprenticeship learning provider. It can, therefore, take an objective and strategic overview of provision in the city and fulfil a role as a broker / intermediary between various stakeholders - businesses and learning providers without a conflict of interest.
- 6.3 As an employer the Council has supported young people to access entry level job roles through apprenticeships and existing staff to retrain and develop to take on different job roles. Over the last 4 years the Council has enabled 798 staff to undertake an apprenticeship to acquire new skills and recruited 189 individuals to apprenticeships vacancies. These numbers have fallen as the overall workforce size has reduced but work is on-going through the Work@Leeds programme to continue to identify opportunities where vacancies have not been filled through the redeployment of existing staff.
- 6.4 In supporting business to meet its skills needs the Council works with developers, its contractors and with businesses investing and recruiting in Leeds to create and sustain apprenticeship positions and to match young people to these opportunities. Since April 2013, it has supported 63 businesses to create 116 apprenticeships.

7 Apprenticeship Hub

- 7.1 The City Deal made provision for the development of an Apprenticeship Hub in each of the districts in the Leeds City Region. Hubs work to align programmes and partner resources to provide a more coherent offer to SME businesses and learners to increase the number and range of apprenticeship opportunities.
- 7.2 Leeds established its Apprenticeship Hub in July 2013 and will receive £300,000 over 3 years to support delivery subject to the achievement of City Deal targets. It will be required to contribute to the wider Leeds City Region target to achieve an additional 2,500 new Apprenticeships over the funded period.
- 7.3 The Hub supported by the Leeds Apprenticeship Steering Group involving national and local partners, will co-ordinate activities to align business and learner support measures and to expand and develop the provision to better target support to key growth sectors by: . The Hub is undertaking a range of activities to more effectively engage learners and business with the existing mainstream offer through:-
- engagement activities with learners, their parents and carers, schools and academies
 - improved business engagement through media and business to business campaigns to communicate the benefits to business of supporting apprenticeships
 - improving the deployment of partner resources to support the delivery of employment and skills obligations through planning agreements and procurement
 - the development of new higher and advanced level Apprenticeship Frameworks in partnership with the Universities and Colleges in the city to meet business

needs and develop new pathways to higher skills aligned to key growth sectors in the local economy.

7.4 The Hub team has delivered and attended a number of events over the last 3 months and, by the end of October had engaged with 32 SME businesses and 1,930 young people and so far has brokered 18 apprenticeship starts. Work with sector skills councils and employers in key sectors is being taken forward including creative arts and digital media, manufacturing and financial and legal services. However, the current focus of activity is to more effectively engage with young people to increase their awareness of the wide range of opportunities and the benefits of apprenticeships and to support them in their efforts to successfully secure an apprenticeship. There has been an increase of 12.5% over the last year in the number of young people registering on the NAS AV system and an increase of 2.1% in the number of applications from those under 19 years of age.

7.5 However, work to date has revealed that that further support focusing on the “soft” interpersonal skills e.g. how to dress for an interview; how to engage with a potential employer as well as completing a well presented and tailored application form / CV is required. Current and planned activities include:-

- information campaigns through social media
- improved information on the Leeds Pathways and Council websites
- dissemination of information on current vacancies
- intensive support to those with multiple unsuccessful applications
- establishing a clearing house for applications and a brokerage service;
- apprenticeship ambassadors – peer to peer support
- surgeries and registration days, make a winning application workshop in schools and community settings
- careers and apprenticeship fairs with direct engagement with employers in both school and community settings.

8 Leeds Apprenticeship Training Agency (ATA)

8.1 Following approval by Executive Board, the Council established a separate company limited by guarantee, jointly owned by the Council and Leeds City College to support small and medium sized businesses to take on apprentices. It is based at the premises of Leeds, York and North Yorkshire Chamber of Commerce in Leeds city centre. The ATA became operational in February 2013 following sign off the funding agreement under City Deal. Subject to the achievement of targets funding will be drawn down for an initial 3 year period following which it will need to become self-financing.

8.2 The ATA supports the creation of new apprenticeship opportunities involving small and medium sized (SME) employers that would otherwise be unable to take the business risk of employing an apprentice directly. Effectively operating as an employment agency, the ATA will employ the apprentice and hire them out to host employers to fulfil their work based element of the apprenticeship.

8.3 The ATA matches young people who want to find careers through apprenticeships with companies that want to develop and grow their workforce. A training programme is developed for each learner and delivered through Leeds City College as the preferred provider with other learning providers as required.

- 8.4 For an ATA to operate efficiently and remain viable there is a need to achieve sufficient and sustained volumes of apprentices and workplaces requiring a critical mass of each to respond to the needs of both. The success of this is largely contingent on the effectiveness and reach of partner networks. Given the limited level of resources available to the ATA, partnership work through the Hub to increase awareness of and interest in apprenticeships by young people and SMEs is of vital importance.
- 8.5 The Apprenticeship Training Agency (ATA) model is designed to increase the engagement of smaller employers in Apprenticeships. All ATA Apprenticeships must have strong employer involvement and a focus on delivering permanent jobs either during or immediately following the Apprenticeship. The ATA model cannot be used just to meet the employment condition for Apprenticeships. The National Apprenticeship Service (NAS) has put in place a model framework to support and promote the delivery of a high quality Apprenticeship programme with employers wishing to use the services of an ATA. The Leeds ATA has been accredited against this framework and is listed on the Approved Register of ATAs which is published on the NAS website.
- 8.6 To date, the ATA has engaged with over 200 SME businesses, it currently employs 19 apprentices and is advertising 18 vacancies with host employers. There has been a healthy response from businesses, the challenge facing the ATA is in attracting and increasing the pool of suitable job ready candidates.

9. Corporate Considerations

9.1 Consultation and Engagement

- 9.1.1 The Hub Action plan and the ATA Business Plan reflect the priorities and objectives of the Best Council Plan 2013-17 to support people to improve skills and move into jobs. The plan has been developed in conjunction with the Council's city-wide partners and stakeholders represented on the Leeds Apprenticeship Steering Group.
- 9.1.2 The priorities for action in the above plans were identified through consultation with elected members and officers in the Council, NAS, colleges and learning providers, employers and young people accessing apprenticeship services. The planned activities will continue to be monitored, reviewed and amended in light of service user and elected member feedback. Planned activities will be communicated to young people, their parents and carers, schools, employers and elected members through a variety of means including the web, social media, written and face to face briefings.

9.2 Equality and Diversity / Cohesion and Integration

- 9.2.1 Equality Impact Assessment screening was undertaken to support the the development and implementation of the Apprenticeship Hub and the ATA. The current and planned activities will support the provision of progression routes for young people that are currently NEET. Data relating to service users will be captured and monitored and activity plans reviewed to ensure the needs of equality groups are met to access these services

9.3 Council Policies and City Priorities

- 9.3.1 The activities outlined in the report support the achievement of key objectives set out in the Best Council Plan 2013-17, namely to 'promote sustainable and inclusive economic growth by improving the economic wellbeing of local people and businesses' with a specific focus on meeting the skills needs of local businesses to support recovery and growth and by helping young people to acquire skills and move into employment with training.
- 9.3.2 These activities also contribute to the achievement of the Children and Young People NEET obsession and the Children and Young People Plan priority to 'Increase numbers in employment, education or training'.

9.4 Resources and Value for Money

- 9.4.1 There are no specific decisions arising from this report. Expenditure on existing programmes referenced in this report were taken in accordance with the Council's financial and decision-making policies and procedures.

9.5 Legal Implications, Access to Information and Call In

- 9.5.1 There are no legal implications arising from this report.

9.6 Risk Management

- 9.6.1 Existing programmes of delivery are supported by risk management plans which are reviewed on a regular basis.

10. Conclusions

- 10.1 In the 2012/13 academic year there has been an increase in the number of apprenticeship vacancies and a fall in the number of apprenticeship starts in the city with a significant fall in the number of 16-18 year olds. This reflects a national trend although there has been an increased number of registrations and applications by the 16-18 age group in Leeds. The fall in numbers has occurred despite the considerable investment by both central government, local partners and learning providers in building capacity and capability to deliver, together with funding increases to support employers in taking on Apprentices.
- 10.2 There are a number of factors which may have contributed to the above reduction. These include changes to provision and the provider base with the focus now entirely on demand-led programmes with employers with a minimum duration of 12 months. There continues to be a lack of awareness and understanding of the benefits of the Apprenticeships - the wide range of opportunities available and the progression routes; this has not been assisted by the recent changes in the responsibilities for the delivery of Careers Education, Information, Advice and Guidance services to young people.
- 10.3 A lack of knowledge about the current labour market opportunities may result in young people with unrealistic or unambitious aspirations making poor choices and resulting in multiple unsuccessful applications. Experience of supporting young people to secure apprenticeships suggests that many do not meet the qualifications requirements and or lack the wider employability skills. However, it is evident that

there is a lack of knowledge and information about services and programmes available to support young people and their parents / carers to access these opportunities. There is anecdotal information that parents may discourage their son/ daughters from applying for an apprenticeship, particularly where this is offered at minimum rate, through concern that this will impact on household benefit claims and income.

- 10.4 It is evident that further work is required to effectively engage and inform young people, their parents/carers and their places of learning about the opportunities available in the city, the longer term benefits of apprenticeships and how to access these opportunities including pre-apprenticeship training where they do not currently meet the requirements, in particular achievement in English and Maths. Information on apprenticeships should be set in the context of labour market intelligence so that young people can make informed choices. The infrastructure provided by the Apprenticeship Hub, the ATA and Leeds Pathways brings together key partners in the city and provides the opportunity to create clear and coherent communications and improved support to address this.

11 Recommendations

- 11.1 Members of Scrutiny Board are asked to note and comment on the content of the report.

12 Background documents

- 12.1 There are no background documents.