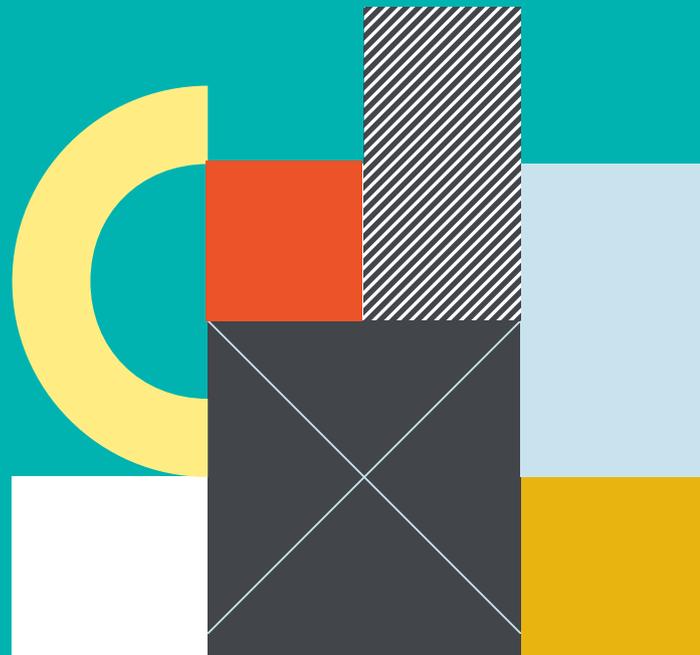


FINAL EVALUATION OF THE CITY DEAL APPRENTICESHIP PROGRAMME

EXECUTIVE SUMMARY



LEEDS CITY REGION



THE APPRENTICESHIP PROGRAMME IN OUTLINE

THE LEEDS CITY REGION ENTERPRISE PARTNERSHIP (LEP) LAUNCHED THE CITY DEAL APPRENTICESHIP PROGRAMME IN JANUARY 2013. IT SECURED £4.6M OF FUNDING FROM THE SKILLS FUNDING AGENCY (SFA) AND BECAME THE FIRST OPERATIONAL PROJECT FOR THE LEP TO DELIVER WITH ITS LOCAL PARTNERS.

The Programme consisted of a central LEP team and eight local Apprenticeship Hubs – in Barnsley, Bradford, Calderdale, Kirklees, Leeds, North Yorkshire (Craven/Harrogate/Selby), Wakefield and York. It also supported the operation of Apprenticeship Training Agencies (ATAs) in Leeds and in Bradford.

This final evaluation is based on interviews with senior figures and practitioners in the Apprenticeship Programme and its local Hubs, a survey of businesses that it had engaged with, interviews with training providers, an apprentice focus group, and analysis of Programme data, outputs and results. It builds on a previous mid-term report which was launched in May 2015*.



£4.6 MILLION
FUNDING SECURED



FIRST OPERATIONAL
PROJECT FOR THE LEP

*Les Newby with Nicky Denison, Research and Reporting on the City Region Deal Apprenticeship Programme, Leeds City Region Enterprise Partnership, May 2015

THE PROGRAMME WAS DESIGNED TO HELP TACKLE UNEMPLOYMENT, SUPPORT THE CITY REGION'S NEET-FREE AMBITION AND TO HELP BUSINESSES MEET THEIR NEEDS FOR SKILLED STAFF.

Two targets were agreed with the SFA at the outset and then re-profiled in spring 2015 with SFA agreement. This also led to the Programme being extended from September 2015 to March 2016. The two targets were:

1 ENGAGE WITH 2,142 SMES WHICH HAD NOT PREVIOUSLY OFFERED APPRENTICESHIPS OR HAD NOT HAD AN APPRENTICE IN THE LAST 12 MONTHS
[REVISED TO 2,450 SMES ENGAGED]

2 CREATE 2,500 NEW APPRENTICESHIPS FOR THOSE AGED 16-24
[REVISED TO 1,700 APPRENTICESHIP STARTS]

The Programme allowed a good degree of flexibility for local partners to determine local Hub models. We identified four main types of Hub model:

- 1 APPRENTICESHIP HUB DELIVERING FROM WITHIN A SINGLE LOCAL AUTHORITY** (AS IN CALDERDALE, WAKEFIELD, YORK)
- 2 APPRENTICESHIP HUB MANAGED BY A LOCAL AUTHORITY BUT WITH MOST DELIVERY CONTRACTED OUT** (AS IN KIRKLEES AND BARNSELY, WITH MOST DELIVERY CONTRACTED OUT TO A LARGE LOCAL FE COLLEGE IN BOTH CASES)
- 3 APPRENTICESHIP HUB SPANNING MULTIPLE LOCAL AUTHORITY AREAS** (AS IN NORTH YORKSHIRE, WITH A SINGLE OFFICER COVERING THE DISTRICT COUNCIL AREAS OF CRAVEN, HARROGATE AND SELBY)
- 4 APPRENTICESHIP HUB WORKING ALONGSIDE AN ATA WITHIN A CITY** (AS ADOPTED IN BRADFORD AND LEEDS)

THE CENTRAL APPRENTICESHIP PROGRAMME

The central Apprenticeship Programme was delivered through an Apprenticeship Hub Manager employed by the LEP from March 2013 onwards and covered five main tasks:

- 1 OVERALL CO-ORDINATION AND CONTACT POINT**
(INCLUDING CONTRACTING, PARTNER LINKS, AND NETWORKING)
- 2 MANAGEMENT AND MONITORING**
- 3 FINANCES AND CONTRACTS**
- 4 LEP STRATEGY AND POLICY ON APPRENTICESHIPS**
- 5 CENTRAL MARKETING**

APPRENTICESHIP HUB ACTIVITIES

LOCAL APPRENTICESHIP HUB ACTIVITIES VARIED IN THEIR FOCUS, WITH A BALANCE BETWEEN BUSINESS ENGAGEMENT AND SUPPORT, AND WORK TO PROMOTE APPRENTICESHIPS TO YOUNG PEOPLE, INCLUDING THROUGH SCHOOLS AND EVENTS.

This involved using a range of marketing approaches and media (e.g. print and radio campaigns, social media and websites), work in schools to promote and raise understanding of apprenticeships, and organising and attending apprenticeship events.

Hubs and businesses most frequently made contact through the Hub proactively approaching the business, e.g. through 'door knocking' or (often outsourced) telesales, with bursts of the latter proving fruitful for lead generation. Events, websites and referrals were also significant ways of reaching SMEs. Hubs then engaged with businesses face to face, talked through how apprenticeships worked and how they might fit with the business, and offered a range of support depending on the firm's needs. This included general advice and information, help selecting apprenticeship frameworks and training providers, salary benchmarking, and help with advertising an apprenticeship vacancy, the recruitment process, and matching the businesses with potential recruits. On average, businesses used 3-4 types of support.

QUANTITATIVE RESULTS

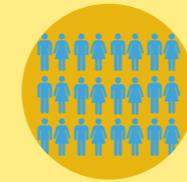
KEY OUTPUTS AND STATISTICS FROM THE PROGRAMME'S OPERATION INCLUDE:



The Apprenticeship Programme significantly exceeded its business engagement target. In total **2,941** SMEs were engaged, **37%** more than initially targeted (and **20%** more than the revised engagement target of **2,450**). **All eight** local Apprenticeship Hubs met their business engagement targets.



Most apprenticeships were at **Intermediate Level (83%)**, with **16% at Advanced Level** and less than 1% at Higher Level.



The City Region exceeded its revised target of **1,700** apprenticeship starts by **39%**. It narrowly missed its ambitious initial target and achieved **2,367** of the targeted 2,500 apprenticeship starts. **Six of the eight Hubs** met their starts targets and there was some excellent performance in this regard. In the two areas that did not, there were a mixture of mitigating circumstances and lessons to be learned.



Hubs were well regarded by customers - **83%** of businesses said the support of their Hub had been helpful or very helpful (against only 2% saying it was not helpful).



The average conversion rate from business engagement to apprenticeship starts was **80%** across the Programme, rising further for businesses in the health, education and public administration sectors.



Business experience of employing an apprentice was positive - **90%** said that that would be likely to employ another apprentice in the future, including **31%** who already had done.



The top sectors for apprenticeship starts were manufacturing, retail and construction which together accounted for **35%** of starts. The most popular framework was Business Administration and Law.



137 different training providers were used across the Hub network, with most Hubs having used over **30** providers. A single large FE college accounted for **50%** or more of provision for four Hubs/ ATAs.

QUALITY FACTORS AND OUTCOMES

HUBS DELIVERED WIDE RANGING BENEFITS IN TERMS OF RAISING AWARENESS AND IMPROVING PERCEPTIONS OF APPRENTICESHIPS AMONGST YOUNG PEOPLE, TEACHERS AND PARENTS.

It was hard to ascertain the exact impact of this activity, but

"work with an increasing number of schools, wider access to pupils, increasing attendance at apprenticeship events, and evidence of improving attitudes all suggest that they had a significant impact."

This may be the single most important factor in enhancing apprenticeship uptake long term.

There would be scope to improve aspects of any similar provision in the future. In particular, the focus on output targets mitigated against more time intensive work to reach under-represented groups (e.g. those of Asian/British Asian background) or to open up routes into apprenticeships for those with lower skills and employability. Some work was evident on this latter front, but it was not widespread. Lack of targeting, output pressures and some provider preferences further suppressed apprenticeships at Level 3 and above.

Most Hubs sought to generate quality apprenticeships that worked for businesses and young people, although some put more focus on this than others. Falling youth unemployment during the Programme made it harder for businesses to recruit apprentices.

"This reinforced the importance of the quality of apprenticeships (including their level, the quality of training, framework options, the extent of progression and pay levels) in attracting able candidates, as well as in improving the reputation of apprenticeships."

ADDITIONALITY, COST PER OUTPUT, ECONOMIC IMPACT ETC.

THE COSTS OF DELIVERING OUTPUTS THROUGH THE PROGRAMME WERE MODEST, AT JUST UNDER £2,000 PER APPRENTICESHIP START, A FIGURE WHICH ALSO INCLUDES WIDER COSTS FOR BUSINESS ENGAGEMENT, AND ATA OPERATION WHERE RELEVANT.

Whilst this is a gross figure, the Programme's design will have kept 'deadweight' to a minimum and national studies suggest apprenticeship promotion has high additionality.

It is not possible to produce a precise figure for the economic value of the Programme. However, illustrative modelling based on national studies and survey data suggests that **the long term economic value of the 2,367 apprenticeship starts generated may be in the region of around £101.4 million***, around twenty two times greater than the cost of the Programme. This suggests that the long term outcomes and economic impacts are likely to be substantial and demonstrates an excellent return on investment.



* This is based on business survey data which suggests that 83% (or more) of apprentices will complete their apprenticeship and go into employment, and on using CEBR estimates for the value of economic gains during a year's apprenticeship and five years of subsequent employment.

CONCLUSIONS AND IMPLICATIONS FOR FUTURE PROVISION

SEVEN OVERALL LESSONS EMERGED FROM THE PROGRAMME WHICH WILL BE IMPORTANT IN INFORMING FUTURE PROVISION:

- 1** **Promotion of apprenticeships to young people** and those who influence them (specifically schools and parents) is fundamental and must be well covered by either mainstreamed local approaches, including on IAG, or the core activities of any future programme. It is important to use mechanisms and communication styles that connect with young people, and to use clear, consistent, and frequently reinforced messages based on real stories and experiences. This should include raising awareness of the range of apprenticeship options. Communication by one young person to another works especially well, whether through using apprentices within Hub teams, or 'apprentice ambassador' networks.
- 2** There should be a greater focus on **outcomes and quality**, including advanced/higher/degree level apprenticeships, which tend to deliver greater value. This will mean a more resource intensive approach and involve added value work to develop relationships, ensure good candidate/business matching, and to deliver apprenticeship starts. Provision should seek to promote apprenticeships that offer good training and progression opportunities and above minimum pay where possible, and avoid any poor quality apprenticeships. Programme outcome measures and monitoring should reflect this range of goals, with due weight on the quality as well as quantity of provision, and tracking of downstream benefits in terms of completions, employment and business benefits.
- 3** **Work is needed to widen the groups reached by apprenticeships**, including under-represented groups (e.g. BAME communities), all age groups, and widening access for less qualified and disadvantaged people and groups. Linked to the point on quality above (b), this work is likely to be relatively time intensive, and to involve pre-apprenticeship training and outreach so that apprenticeships and associated investment are better aligned to poverty reduction, employment and inclusion goals.

4 Whilst maintaining a degree of flexibility, there is a strong case for **applying greater consistency across local provision, based on the models that proved most successful**. This would most likely involve retaining the combination of a central LEP led role and local delivery. The most successful local models tended to involve delivery by Hubs within single local councils and with teams of a sufficient size. This model helps to support perceptions of the Hub as independent, and ensure alignment with other local council departments and partners. Based on their outputs, the case for future ATA provision is less strong than for Hubs, but if the two do coincide, it is important that they are integrated and have clearly differentiated roles. Strong management, senior support, and committed and able staff have been crucial at city-region and local level and will remain so in the future.

5 It is important to **build, extend and maintain good relationships with providers**, to have clear expectations on quality and approach, and clarity about their roles and those of Hubs in areas such as engagement with young people. There may be value in identifying a pool of providers across the city region that consistently meet quality standards and can meet needs for routine, specialist provision and higher level provision. It is good practice to ensure open recommendation of a number of providers wherever possible, rather than being tied to or strongly skewed towards single local providers.

6 **Marketing** is important in raising awareness and building positive perceptions amongst businesses, young people and parents. Social media and websites are particularly important for young people, backed by face to face contact in schools and at centrepiece events – all of which should draw on success stories of apprenticeships in action. Face to face contact is best for business engagement with targeted bursts of telemarketing to generate leads. There is value in a mix of central and local marketing but this must be scoped, agreed and commissioned from the outset to help Hubs to hit the ground running. This could include specialist in-house marketing support to a central programme team. Better monitoring arrangements should be in place from the outset to assess impact.

7 It is important to **connect apprenticeship support to wider business support and skills and employment provision**, both through the LEP and at local level. This should include fit with LEP business growth support and the Skills Service, as well to local provision and partners, with strong cross-referral mechanisms in place, including with wider young people's services. Support to business should include general advice and the range of support provided by Hubs to date.



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