
Report to: Employment and Skills Panel

Date: 4 December 2017

Subject: Cross-Cutting Themes:
More and Better Apprenticeships and Raising the Bar on High Level Skills

1 Purpose

- 1.1 The purpose of this report is to update the Panel on work to progress the priorities and actions in the cross-cutting themes in the Employment and Skills Plan: “More and Better Apprenticeships” and “Raising the Bar on High Level Skills”.

2 Institutes of Technology

- 2.1 The West Yorkshire Consortium of Colleges is cultivating a partnership to submit a bid to create an Institute for Technology (IoT) aimed at developing digital skills provision. IoTs will have employers at the heart of their leadership and governance, and in the design and delivery of curriculum. IoTs will strengthen and grow provision to fill gaps in the market; they will focus particularly on technical skills at levels 4 and 5 but will extend to degree level and above (level 6+) to strengthen routes into higher levels of technical education, as well as directly into employment. See the provisional outline proposal at **Appendix 1**.
- 2.2 Government expect bidders to demonstrate in their bids that they have discussed with local LEPs or Combined Authorities their interest in the IoT competition. This is because of the important role LEPs and Combined Authorities can play in facilitating and brokering collaboration between potential bidders in an area to deliver at greater scale and impact in support of regional and national priorities for economic growth in the area.

3 Apprenticeships – Overview

- 3.1 Levy paying organisations are taking their time to react to the Apprenticeship Reform changes. From April they have 24 months in which to use their levy - even large public bodies are being cautious. This is a challenge for the providers and in particular colleges who are used to a steady cash flow. The protracted nature of the ESFA non-levy tender means further uncertainty for providers. In addition the new apprenticeship funding model has led to a 2-3 month lag between a learner starting and funding commencing. This means that in many cases providers are currently delivering ‘at risk’ while employers work to facilitate funding being drawn down.

- 3.2 Providers who previously charged employers have been less effected by the 10% charge to SMEs than those who didn't. However most providers are reporting a downturn in apprenticeship starts.

4 Apprenticeship Hub Programme

- 4.1 The Education & Skills Funding Agency (ESFA) European Social Fund contract for an Apprenticeship Hub programme is being delivered by Interserve through their Absolute Apprenticeships programme. A meeting with the ESFA has been held where concerns raised by the Panel and partners were discussed. As a result a further meeting with the ESFA and the provider is scheduled for mid-December.

5 Apprenticeship Grant for Employers

- 5.1 The devolved Apprenticeship Grant for Employers (AGE) is now closed to new registrations. Checking and processing of payments will continue to March 2018.
- 5.2 To date over 3,120 SMEs have received grants to a value of £6,114,000, which has supported the employment of 3581 apprentices.
- 5.3 The devolved Apprenticeship Grant for Employers (AGE) has come to an end. The West Yorkshire Combined Authority is seeking funding for a new localised grant programme which would support businesses not previously offering apprenticeships. In anticipation of securing funding we are seeking comments and endorsement of the Employment and Skills Panel on proposed grant criteria. (**see Appendix 2**)
- 5.4 Consultation on the proposed future grant criteria has been undertaken with the Building Workforce Skills and Attracting Talent Advisory Group along with other business and training provider representatives.

6 LEP Apprenticeships Marketing activity

- 6.1 A telemarketing campaign is now underway to engage and support Levy companies. Following on from discussions at recent Employment and Skills Panels, Advisory Groups and additional informal feedback, it was identified that many Levy companies still have no plans to utilise their Levy contribution or need support in planning usage and identifying potential providers. The campaign will be supported by colleagues from the LEP Skills Service who will visit Levy companies offering a free, independent and impartial advice service. The offer will begin with an initial skills audit, development of a skills/training plan and matching of needs against apprenticeship frameworks/standards, if appropriate. Where required, links will be made to providers offering the identified apprenticeship programmes.
- 6.2 Planning is underway in relation to activity during National Apprenticeship Week and National Careers Week 2018 (w/c 5 March 2018).

- 6.3 The LEP have attended the National Apprenticeship Ambassador Conference, where discussions were held around closer and collaborative working of the local Ambassador networks and LEP priorities. Identified actions will be progressed with the Y & H Ambassador Network Chair over the coming months.

7 Apprenticeship Promotion in Schools

- 7.1 Activity to promote apprenticeships in schools through the Enterprise in Schools programme continues via the team of Enterprise Co-ordinators (EC) supported by the EC with responsibility for Apprenticeships.

8 Raising the Bar on High Level Skills

- 8.1 As previously reported, Go Higher West Yorkshire is a partnership of 12 Higher Education Providers – Bradford College, the University of Bradford, Calderdale College, the University of Huddersfield, Kirklees College, the University of Leeds, Leeds Arts University, Leeds Beckett University, Leeds College of Building, Leeds City College, Leeds Trinity University and Wakefield College. The partnership, with support from West Yorkshire Combined Authority/LEP, has been successful in its submission to the Higher Education Funding Council for England (HEFCE) for Degree Apprenticeship Development Funding (DADF).

Across the consortium they are now working to develop their infrastructure in order to offer the following as degree apprenticeships with an expected start date of September 2018:

- Teachers
- Registered Nurses
- Police Constables
- Social Workers
- Occupational Therapists
- Physiotherapists
- Health Care Service Practitioners
- Building Services Engineering Site Managers
- Building Services Designer Engineers
- Construction Site Managers
- Construction Design Managers
- Civil Engineers

- 8.2 The programme has an overarching theme of Social Mobility.
- 8.3 The programme supports the LEP Employment and Skills Plan priorities of Raising the Bar on High Level Skills and More and Better Apprenticeships and the WYCA Inclusive Growth agenda. The LEP is supporting the programme of activity via our involvement in the Go Higher West Yorkshire board and their Business Engagement/Programme Steering Group whilst also using our network of business stakeholders and intermediaries to raise awareness of the offer.

- 8.4 Promotion work with individuals and particularly schools will be undertaken in partnership alongside and complementary to our normal schools and apprenticeship engagement promotion and activity.

9 Delivery Agreements/Preparation for Devolution

- 9.1 The seven Delivery Agreements with West Yorkshire colleges published in the summer have been well received and attracted local and national interest. These were developed following the area review and provide building blocks for strategic discussion with colleges about their current and future provision in line with economic need and in preparation for devolution of the Adult Education Budget (AEB). Initial meetings took place in November to review progress in 2016/17 against agreed aspirations and look forward at likely delivery in 2017/18.
- 9.2 In addition, and in support and preparation for AEB devolution, meetings have been held with community learning teams in the West Yorkshire local authorities (LAs) and Independent Training Providers (ITPs) [largest by contract value] who receive contracts and funding to deliver AEB activity in our locality. This included the major local sub-contractors of Learndirect.

Both groupings welcomed the meetings. It is hoped that we can develop informal agreements with the ITPs to influence the delivery in our region to ensure it is responding to local and identified need.

- 9.3 Summary of findings:

Colleges/Delivery Agreements

- The colleges have made good progress towards their own ambitious aspirations, exceeding them in places;
- Colleges have shown a positive commitment to the process, in which they are participating voluntarily, but have asked that we ensure the process adds value;
- The Apprenticeship Reforms and Levy are having a major impact on most colleges. This is having substantial financial impact on colleges who are currently delivering 'at risk';
- T levels - many have expressed fears regarding the proposed 10 week work experience requirement of T levels, with some suggesting it will be undeliverable;
- Many colleges are alive to the fact the claimant base for Universal Credit will be different, with more long term unemployed and complex needs;
- The original proposal to undertake quarterly reviews is not appropriate and a programme of reviews needs to be established to align timings with the colleges' own reporting calendars and to use data they already have available, to reduce the reporting burden.

Independent Training Providers (ITPs)

- A number of the ITPs bring together recruitment services and provision of training, meaning they have access to a range of individuals and employers. Many are hugely employer focused and invest in maintaining strong links with national employers. Training provision is then delivered to meet the needs of these employers;
- Most ITPs rely on sub-contracting arrangements with Primes, varying from long standing relationships to opportunistic allocation utilisation. The decisions around what provision to deliver largely sits with the sub-contractor and not the prime;
- Many ITPs employ distance learning routinely, to significantly reduce delivery costs;
- The ITPs spoken to have very strong relationships with job centres, they tailor their provision to align with JCP rules. However, many build in 'additionality' to ensure continuous support and movement towards employment for individual clients;
- WYCA is ahead of the game - the national providers had not had similar conversation with other Combined Authorities with devolution deals;
- ITPs are keen to engage and broadly willing to develop light touch Memorandum of Understanding type delivery agreements. However, without devolution these agreements will lack teeth.

Community Learning (CL)

- Community Learning is commissioned/provided via local authorities;
- There is a wealth of excellent provision that supports individuals in the heart of communities. The benefits of community learning are wide ranging, from improved health and wellbeing through to improved outcomes for children, gaining and sustaining employment, greater community cohesion and in some cases breaking the cycle of addiction and homelessness;
- There is plethora of case studies on impact;
- Local Authorities are constantly reviewing and evaluating their provision in order to improve the quality of the provision they provide.

9.4 Proposed Next Steps:

Colleges/Delivery Agreements

- That reviews should take place twice a year (spring 'light touch', autumn full data assessment and review) with the publication of an annual report (first formal report produced December 2018). A refresh of the Delivery Agreements would take place following the autumn review, beginning autumn 2018;
- WYCA facilitate a meeting between Jobcentre Plus and Colleges in relation to future AEB activity in support of the changing Universal Credit client group and future collaborative funding opportunities;
- Consider facilitating introductions between West Yorkshire Colleges and large ITPs operating locally to encourage partnership working;
- WYCA ask Government to consider the impact of apprenticeships reforms on college financial health and to carefully consider the 10 week work experience requirement of T-levels, and its potential impact on the college sector;

- A progress report be presented to ESP in December 2018.

Independent Training Providers (ITPs)

- Continue to engage with ITPs and develop 'light touch' delivery agreements where possible;
- Continue to look at better understanding the breadth of delivery across the region with a view to identifying niche provision so the LEP is well placed in the event of devolution.

Community Learning (CL)

- At the request of the local authorities, facilitate a West Yorkshire Community Learning Forum to share best practice and raise standards of provision across the region;
- Use this group to track the impact of current continuous improvement projects and look to implement effective interventions more widely;
- Continue to track efficacy of provision across the region;
- Consider inviting colleges to this forum to share best practice and encourage collaborative planning of local provision.

- 9.5 A comprehensive report on activity to date, findings and recommendations is currently being prepared by the consultant who has led on the initial development and first reviews of this piece of work.

10 Recommendations

- 10.1 The Panel is asked to comment on and endorse the proposal for a West Yorkshire based Institute of Technology on digital skills.
- 10.2 The Panel is asked to comment on and endorse the outline grant criteria for a future proposed apprenticeship grant for employers.
- 10.3 The Panel is asked to comment on and endorse the proposed next steps in relation to the Delivery Agreement/Preparation for AEB activity.
- 10.4 The Panel is asked to note and comment on the progress of activity against the More and Better Apprenticeships and Raising the Bar on High Level Skills priorities.