

REPORT TO: Employment, Learning and Skills & Community PPB

DATE: 25 June 2018

REPORTING OFFICER: Strategic Director Enterprise, Community & Resources

PORTFOLIO: Economic Development

SUBJECT: Liverpool City Region Combined Authority Apprenticeship Growth Plan 2018-2020

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To update members on the significance and relevance for stakeholders in the borough of Halton of the recently published Apprenticeship Growth Plan.

2.0 RECOMMENDATION: That

- 1) the report be noted; and**
- 2) the Board considers how it can help support the Growth Plan's Supporting Ambitions:**
 - a. showcase to employers the advantages of apprenticeships
 - b. Understand employer skills needs and provide apprenticeship opportunities
 - c. Grow the Employer and Apprenticeship Ambassador networks and celebrate success
 - d. Raise awareness of apprenticeships through the LEP network

3.0 SUPPORTING INFORMATION

3.1 The Apprenticeship Growth Plan has been developed in direct response to the Liverpool City Region Area Review of Post-16 Education and Training that reported on 10th January 2017. The Area Based Review recommended an '*apprenticeships growth plan to drive forward targets for an expansion of the breadth and volume of apprenticeships*'.

3.2 The Liverpool City Region Apprenticeship Hub, on behalf of the Combined Authority, commissioned Eunoia Research to develop the Apprenticeship Growth Plan in conjunction with employers, stakeholders, local authorities, colleges and independent training providers. The Plan offers a truly collaborative approach to ensuring a greater alignment between the demand for and supply of high quality apprenticeships.

- 3.3 The Plan is a key document to develop collective action, galvanise and promote collaborative activity by colleges and training providers and ensure a co-ordinated approach to driving forward apprenticeship delivery over the next 3 years. The aspiration is to deliver 20,000 apprenticeships across the City Region per annum by 2020.
- 3.4 The Plan aims to improve the way the apprenticeship system and apprenticeship reforms work for the City Region and sets out a vision for apprenticeship growth through:
- Increasing the volume of apprenticeships opportunities available;
 - Expanding the diversity of frameworks and standards available to residents and employers;
 - Improving an apprentice's ability to progress to higher qualification levels including degrees; and
 - Developing a higher standard of quality for apprenticeships offered and delivered

What the Plan will aim to achieve

- 3.5 The Combined Authority is committed to increase the volume, breadth & relevance of apprenticeships across the Liverpool City Region enabling more employers and learners to access and benefit from apprenticeships.
- 3.6 The Plan is a call to action for stakeholders across the City Region to work together under a shared ambition to grow and develop the apprenticeship programme and create the right environment for apprenticeship success.
- 3.7 The Combined Authority will continue to adapt and respond to new policy developments and use the Growth Plan to help monitor progress in comparison to national and other City Region's progress, stimulating the market and implementing enabling actions where necessary to support local successful delivery.

Key Challenges

- 3.8 The consultation to develop the Apprenticeship Growth Plan identified a number of possible challenges for the Combined Authority in terms of delivering apprenticeship growth. These include:
- The impact of Apprenticeship Reform
 - Employer awareness and understanding of apprenticeships
 - Falling 16-18 apprenticeship participation alongside demographic changes
 - A misalignment between employer demand and the availability of provision
 - The technical skills gap across the Liverpool City Region compared to national averages; and

- The complexity in navigating and fragmentation of the nation and local skills systems.

Priorities for Growth

3.9 The Apprenticeship Growth Plan sets out the key actions to address local growth challenges, tackle issues of market failure and build on the strengths and opportunities that already exist.

- Priority 1 focuses on developing better data analysis and availability to inform curriculum planning.
- Priority 2 focuses on stimulating employer demand for apprenticeships.
- Priority 3 focuses on supporting more individuals to follow apprenticeship skills progression
- Priority 4 focuses on extending the breadth and delivery of high quality apprenticeships; and
- Priority 5 focuses on creating the right environment for apprenticeship to develop.

Key Actions to Drive Growth

3.10 The consultation process leading to the development of the Apprenticeship Growth Plan has enabled the development of a range of actions to drive apprenticeship programme performance locally. The ownership of these actions must be shared across a number of key stakeholders including the Combined Authority, the LCR Apprenticeship Hub, the LCR LEP and Colleges, Independent Training Providers & Universities.

3.11 Alternative sources of funding for the Apprenticeship Hub will be sought to provide greater stability and allow the Hub to take the lead on the implementation of the Growth Plan.

3.12 An Apprenticeship Pledge, gaining the commitment from public and private sector employers, colleges and providers and other stakeholders, will be launched by the Combined Authority.

3.13 The Combined Authority will seek to commission a 'capacity building fund' via European Social Fund (ESF) to support colleges and providers (based in the City Region) to establish much needed provision of new Apprenticeship Standards, test new markets or deliver different sector subject areas than they have previously, to enhance the breadth of provision available locally. Additionally, the Combined Authority will seek to commission a 'quality improvement fund' via ESF, to provide a package of support for colleges and providers to help improve the quality of apprenticeships.

4.0 POLICY IMPLICATIONS

4.1 The Apprenticeship Growth Plan was developed following comprehensive consultation and research into apprenticeship delivery and take up in Liverpool City Region. The Apprenticeship Reforms came into play in May 2017 and data available to date does not allow us to fully understand the impacts of Apprenticeship Reform within Liverpool City Region. Similarly, it is too early for the Government to make any decisions about its Apprenticeship policies. The Growth Plan signals the continued importance of apprenticeships to the City region, residents and the employers who drive our local economy whilst acknowledging that its growth aspirations are set within a time of challenging apprenticeship reforms. For this reason, the Growth Plan will be reviewed every 6 months during its 3 year life span.

5.0 FINANCIAL IMPLICATIONS

5.1 A number of the actions set out in the Growth Plan require financial resources. The LCR Apprenticeship Hub has ESF funding secured until the end of March 2019. An unallocated sum of £400k of devolved Apprenticeship Grants to Employers (AGE grant) is held by the Combined Authority and decisions are being made as to how this funding can be used to help implement some of the Growth Plan actions. This funding is available until March 2019. A final round of ESF calls will be announced in spring 2018 and it is expected that one or more of these will incorporate some activity around apprenticeships. ESF funding will continue until the end of March 2020.

5.2 The Apprenticeship Growth Plan is a plan for the whole of the City Region and is a call for employers, providers and other key stakeholders to work collaboratively to ensure mainstream apprenticeship funding is fully maximised and helps drive forward the key actions within the Growth Plan.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

6.1.1 The demographics of the 16-18 year old cohort in the City Region is declining year on year; this will have an impact on the working age population, the labour market and the numbers of young people engaging in apprenticeships and study programme starts in the local FE sector. The volume of 16-18 residents in Liverpool City Region is not expected to return to 2014 levels until 2028. Apprenticeship starts as a proportion of the 16-19 cohort has also seen a reduction from 8.1% in 2015/16 to 7.4% in 2016/17 – i.e. a lower proportion of the cohort are choosing the apprenticeship route.

6.1.2 To maintain the volume of 16-18 apprenticeships delivered, the City Region will need to increase the proportion of local residents aged 16-18

entering apprenticeships by informing and advising more of them of the benefits of apprenticeships and ensuring high quality progression pathways are available.

6.1.3 The Combined Authority will build on the excellent work already undertaken by the Apprenticeship Hub and others in engaging with schools, young people and their parents including extending the Young Apprentice Ambassador Network, delivering interactive Skills Shows and providing school students with information and publicity on apprenticeships.

6.2 Employment, Learning and Skills in Halton

6.2.1 Colleges and training providers have been delivering growing volumes of advanced and higher level apprenticeships in line with the Government and City Region ambitions, but this comes at an opportunity cost of training older workers rather than dedicating apprenticeship supply resources to younger apprentices in lower level roles.

6.2.2 The challenge is to continue to expand into new markets for higher level apprenticeship starts whilst maintaining employer interest and provider (including University) capacity to deliver starts of young apprenticeships at intermediate levels.

6.2.3 Our employers need to also expand apprenticeship take up at advanced and higher levels, including degree level apprenticeships, if the local economy is to keep pace with other City Regions nationally. The role of Higher and Degree level apprenticeships also needs to be more clearly defined as a progression route from technical education as part of preparations for changes resulting from the Government's Post-16 Skills Plan and Industrial Strategy.

6.2.4 Apprenticeships are all age and the Growth Plan sets out the ambition for the City Region to grow the volumes, types of high quality apprenticeships to ensure appropriate skills pathways are in place that will lead to sustainable employment for its residents.

6.3 A Healthy Halton

None

6.4 A Safer Halton

None

6.5 Halton's Urban Renewal

None

7.0 RISK ANALYSIS

The key risks/opportunities associated with the proposed action and an outline of the key control measures proposed in relation to these risks should be included.

A statement must be made as to whether proposals are so significant as to require a full risk assessment. If a full risk assessment is required, please describe high risk areas and control measures.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 The City Region's Apprenticeship stakeholders need to promote inclusivity and equality of apprenticeship opportunities and take positive action to encourage and support more employers and learners to engage with apprenticeships from diverse backgrounds and needs. This includes putting specific support in place for young people with additional needs (such as care leaver or those with special educational needs) through additionally commissioned support. This will enable young people to be helped to address a more equal landscape and position for them to secure apprenticeships.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Liverpool City Region Area Review Final Report, January 2017		Rob Tabb, Combined Authority
Liverpool City Region Apprenticeship Hub – Strategy and Strategic Action Plan 2015-2020 (2016)		Siobhan Saunders, HBC, Chair Apprenticeship Hub