

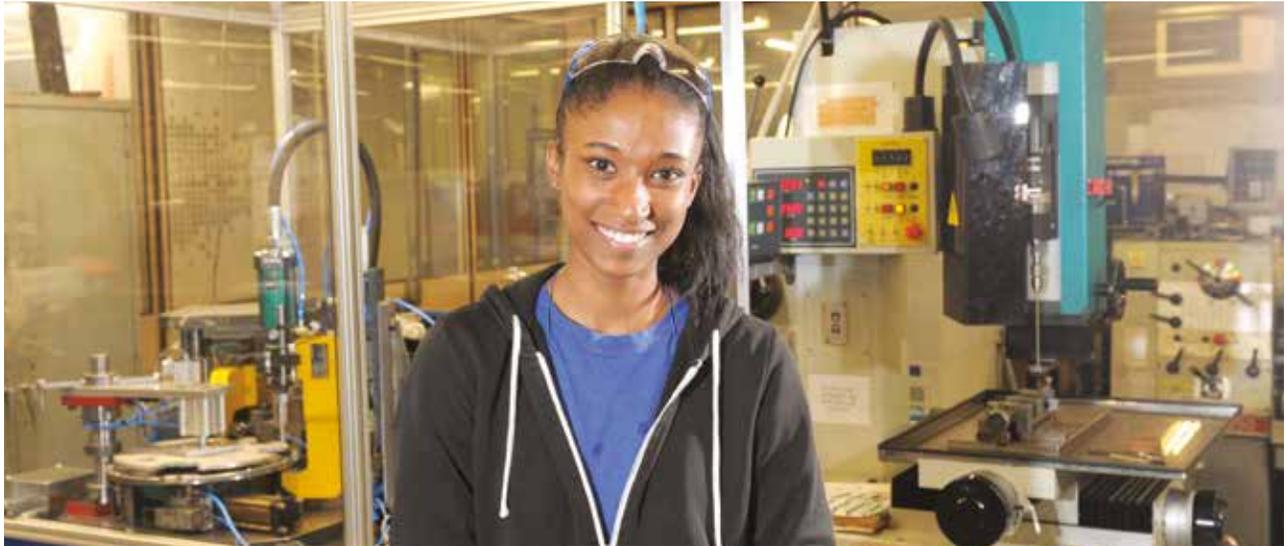
February 2017



DUDLEY **nsight**
**THE APPRENTICESHIP
CHALLENGE**

This is one of a series of papers aimed at providing our stakeholders, both internally and externally, with up-to-the-minute information on how we are strategically responding to local and national challenges. The papers may be of interest to many relevant stakeholders including parents, employers and the Local Enterprise Partnership.

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INTRODUCTION

Dudley College has a well-developed Apprenticeship training programme, to deliver the skills local and regional employers need in their workforce. In 2015-16, we engaged 1,524 young people in an Apprenticeship and 2,321 adults. In total some 3,845 individuals undertook Apprenticeship training in 2015-16 (a growth of 32% on 2014-15). This position paper sets out recent developments in this vital area, together with the strategies we are pursuing to further improve the outcomes for learners and employers in this area.

CONTEXT

In the government's recently published Apprenticeship Policy in England (House of Commons Library Number 03052 - November 2016), the importance of Apprenticeships as the key area of policy with regard to employment and skills, was restated. The 2015 Queen's Speech set out the ambition to create 3million new Apprenticeships by 2020 and The Enterprise Act 2016 provided the Secretary of State with the power to set targets for the number of apprentices in public bodies, in order to help achieve this target.

Against this background, Dudley College has continued to develop a compelling Apprenticeship training offer for the employer market we serve. This has been achieved against an ever-changing context of policy reform, as 2017 will see the implementation of the Apprenticeship Levy heralding a new funding regime for the delivery of Apprenticeships. Large employers with a pay bill of over £3million will pay a training levy from April 2017 and the new funding system for all employers will be introduced from May 2017. Apprenticeship levy payments will be paid into a digital

account and it is through this mechanism that businesses will be able to spend their funds.

The content of Apprenticeship programmes is also changing – the old system of Apprenticeship frameworks is being phased out and the new style Apprenticeship standards, designed by employers, are taking their place. A new employer-led body, the Institute for Apprenticeships, is also due to come into effect in April 2017 to lead on the regulation of the quality of Apprenticeship training and a new register of Apprenticeship training providers will come into use in May 2017. Only providers who successfully take a place on the register of Apprenticeship training providers will be able to deliver training.

Moreover, machinery of government changes in 2016 saw the overall responsibility for Apprenticeships transferred from The Department of Business Innovation and Skills (which took on a new remit as the Department for Business, Energy and Industrial Strategy), to the Department for Education.

THE CHALLENGE

The college sees the introduction of the **Apprenticeship Levy** as an ideal opportunity to expand the employer base it works with and to increase the number of young people and adults studying via the Apprenticeship route. All large employers who pay the Levy should develop a training plan to ensure they are able to recoup a commensurate level of training that reflects the value of the levy they pay. Supporting employers to develop an appropriate training plan for their organisation and to put that training in place, will be an exciting challenge for the college.

The new funding model from April 2017 will see the **Apprenticeship framework** system replaced with a **Standards** funding model based on six funding bands which relate to different sectors and levels of qualification, with the cost of training for each Apprenticeship falling into one of these categories. The model will also see a greater contribution towards training costs being paid by all employers irrespective of whether they are levy payers. Typically a non-levy paying business will be expected to make a 10% contribution to the cost of training for an individual apprentice. At the same time government will offer incentive payments for small to medium sized businesses in order to encourage them to train 16-18 year olds and further incentives will be available for Apprenticeship training in areas of high social-deprivation. As with any change

there comes the challenge to ensure the new system is well understood and the high level of investment in Apprenticeships continues. The expansion of higher level Apprenticeship programmes at Levels 4, 5 and 6 is also a major driver as the **Institute for Apprenticeships** looks to respond to employer need for a more highly-skilled technical workforce. Closer to home, the college aims to support the Black Country Local Enterprise Partnership's ambitious targets for raising employability, education and skills, which form part of The Black Country Core Strategy and the **LEP's Strategic Economic Plan**. In particular, the college will continue to work closely with employers identified within transformational and enabling sectors to match employer-led demand for skills against our provision.

Against these larger structural changes, the college's major ongoing challenge is to maintain high success rates against all of its Apprenticeship programmes and to ensure all apprentices maximise their potential, complete their programme of study in a timely way and wherever possible progress to the next level of study.



OUR RESPONSE

Our response to this challenge has been to increase the breadth and depth of our employer engagement. In May 2016, we recruited a team of six Business Development Managers to work with specific sectors of our curriculum and strengthen relationships with employers. In order to support businesses to understand the impact of the Apprenticeship Levy on their operations, a series of briefing events has taken place and we have developed supporting information in order to guide employers through the new process.

Through our internal Apprenticeship Key Client Group Meetings, we have developed a focus group to map our curriculum offer to the new standards and develop new pathways at higher levels. Our work with The University of Wolverhampton as part of the Elite Centre for Manufacturing, is one example of where we are working collaboratively to expand our offer and provide training pathways to meet the needs of regional businesses. Our Strategic Plan sets out a range of deliverables in terms of when new programmes of study will become available.

In order to ensure all apprentices reach their full potential and maximise positive outcomes, the college has created a bespoke mentoring programme to support all of the learners who are undertaking an Apprenticeship with an employer.

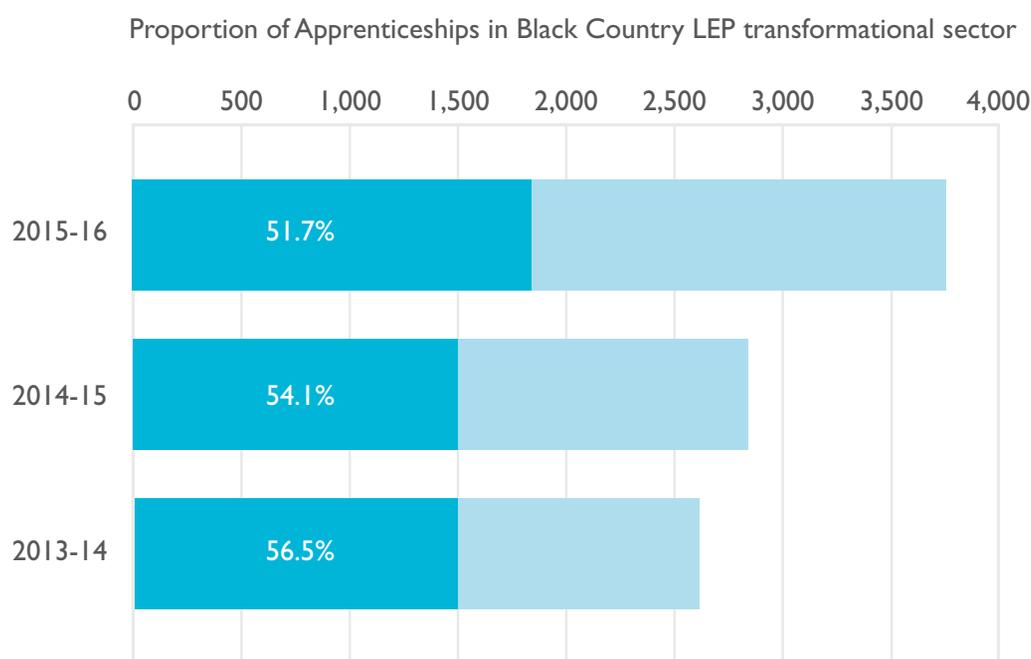
We are further strengthening our links with **stakeholders including key employer and membership bodies** such as CITB, Chambers of Commerce, EEF- The Manufacturers Association, and Clinical Commissioning Groups, so that we can work with them to ensure our Apprenticeship offer meets the needs of their members.



PROGRESS TO DATE

As of December 2016, we are working with 1000 businesses across 15 sector areas, including Engineering and Manufacturing Technologies, Leisure, Travel and Tourism and Health, Public Services and Care. This is a significant diversification of our employer base as we are engaging with a greater proportion of small to medium sized employers than ever before.

Our Apprenticeship achievement rates remain robust and have been consistently high for the last three years – well above national average at all levels. The overall achievement rate now stands at 85.2%, well above the latest national rate of 71.7%.



RCU Research & Consultancy Service conducted analysis of the college's Individual Learner (ILR) data to review how well the college was meeting local priorities. This shows that a high proportion of our apprenticeship learners are following programmes that are linked to Black Country Local Enterprise transformational sectors. It also shows that although some of our growth in apprenticeships is due to taking on Sports Park provision, the number of learners on college LEP priority programmes has increased by 25% since the previous year.



NEXT STEPS

Our Strategic Plan 2016 – 19 identifies stretching targets for Apprenticeship engagement; by the end of the plan we will be engaging with over 3,500 young people and adults on Apprenticeship programmes annually, of which 400 learners will be studying for higher level programmes. We aim to have an 88% overall success rate for all Apprenticeships. We will maintain the momentum towards these targets by building on the existing good practice we have established.

We will continue to support local employers through the implementation phase of the Apprenticeship Levy and support businesses of all sizes to maximise their workforce development plans, to increase their prosperity and sustainability.

As part of our continued focus on the development of Apprenticeship provision, we are building a collaborative model with other Black Country

Colleges. This will create a complementary model of provision, in which areas of significant specialism are further strengthened, allowing for an expansion of Apprenticeships at higher levels.

We are also currently reviewing our internal processes to enhance the ways in which we communicate progression opportunities to our existing apprentices, with a view to increasing the proportion of learners who move to Level 4 programmes and beyond. And as part of our equality and diversity agenda, we are looking at a raft of interventions to increase the proportion of apprentices from ethnic minority communities.

We will continue to tightly monitor our success rates for learners and through our support interventions, ensure we maintain our high levels of achievement well above national average rates.

EXPECTED OUTCOMES

We expect to have achieved the following milestones by 2019:

- Over 3,500 young people and adults on Apprenticeship programmes annually, of which 400 learners will be studying for higher level programmes.
- To be working with businesses of all sizes in order to maximise their workforce development and with larger organisations help them to achieve the most value from their Apprenticeship Levy payments.
- To be meeting the regional skills challenges and delivering LEP priority programmes, with at least 60% of apprentices following programmes in STEM (Science, Technology, Engineering and Mathematics).
- To have maintained high levels of learning outcomes which continue to be well above national benchmarks for both young people and adults.

We also anticipate that all of our programmes of study will be delivered via the new Standards where ever they are available and aligned to the future recommendations of the Institute of Apprentices.

If you would like to know more about the Apprenticeship challenge in the Black Country, please contact:

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