

APPENDIX 2A

Skills, Economy and Regeneration Scrutiny Panel

Spotlight Policy Review 2012 – 2013

Delivery of Apprenticeships in Sunderland

Final Report

Contents

1	Foreword from the Scrutiny Lead Member.....	2
2	Introduction	3
3	Aim and Terms of Reference of Review	3
4	Membership of the Committee.....	3
5	Methods of Investigation	3
6	Findings of the Review	4
7	Conclusion	15
8	Recommendations.....	16
9	Acknowledgments.....	16
10	Background Papers	16

1 FOREWORD FROM THE SCRUTINY LEAD MEMBER FOR SKILLS, REGENERATION AND ECONOMY

It gives me great pleasure to introduce the Skills, Regeneration and Economy Scrutiny Panel's spotlight policy review into the operation of apprenticeships in Sunderland.

At the start of the year, when the Scrutiny Committee was considering the range of issues it wished to examine, the Panel was asked to undertake a spotlight review into the operation of apprenticeships in Sunderland.

The report examines what we actually mean by the term "apprenticeships" and the range of occupational areas available. It also examines the quality of and barriers to apprenticeships and how we can best match the business sector demand for apprentices with the skills of young people leaving school or college.

The Panel's report includes a number of recommendations which we hope will be of assistance to those involved in delivering apprenticeships in the city.

Firstly, we consider that the Council should examine the measures available to increase apprenticeship opportunities particularly at higher levels in key sectors of the city's economy and agree with the NAS a set of actions that are geared to meeting the specific needs of the city.

We also recommend that further work should be initiated to understand the Post-16 Destinations of learners in the city and that the Council [confirms its continuing support for](#) the inclusion of Social and Economic Clauses into its planning and procurement processes.

In conclusion, I would like to thank my colleagues on the Skills, Economy and Regeneration Scrutiny Panel and all of the officers and staff involved for their hard work during the course of the review and thank them for their valuable contribution.

Councillor Tom Martin, Lead Member for Skills, Economy and Regeneration

2 INTRODUCTION

- 2.1 On 7 June 2012, the Scrutiny Committee requested that the Skills, Economy and Regeneration Scrutiny Panel undertake a policy review into the delivery of apprenticeships in Sunderland. This issue was highlighted as a policy review topic during the Council's Annual Scrutiny Conference 2012.

3 TERMS OF REFERENCE

- 3.1 The Panel agreed the following terms of reference for the review:-
- a) to examine the delivery of apprenticeships in Sunderland;
 - b) to consider what we actually mean by "apprenticeships" and the range of occupational areas available;
 - c) to consider how we can encourage the greater involvement of small and medium businesses;
 - d) to examine the quality of and barriers to apprenticeships and how we can best match the business sector demand for apprentices with the skills of young people leaving school or college.

4 MEMBERSHIP OF THE PANEL

- 4.1 The membership of the Skills, Economy and Regeneration Scrutiny Panel consisted of Councillors Thomas Martin; Len Lauchlan; Christine Marshall; Bob Price; David Snowdon; Denny Wilson and Thomas Wright.

5 METHODS OF INVESTIGATION

- 5.1 The following methods of investigation were used for the review:-
- (i) Background information from officers on the policy context and the delivery of apprenticeships at a national and local level;
 - (ii) Meetings with employers; apprenticeship providers, schools, Sunderland College, Sunderland University to discuss their role in the delivery of apprenticeships and to seek their views on the opportunities for further developing and expanding apprenticeship delivery arrangements;
 - (iii) Meeting with the National Apprenticeship Service (NAS);
 - (iv) Meeting with Connexions Sunderland

6. APPRENTICESHIPS – NATIONAL CONTEXT

Background

- 6.1 In order to provide a context for our review, the Panel began by briefly looking at the development of apprenticeships at a national level.
- 6.2 It was noted that apprenticeships have a long history in the UK and that by the late nineteenth century, the scope of apprenticeships had come to be associated with so called “traditional” trades such construction, engineering and shipbuilding – industries central to the local and regional economy. Ever evolving, today, apprenticeships reflect the newer emerging sectors in the economy such as advanced engineering, retail, business and information technology.
- 6.3 The level of state intervention in apprenticeships has varied over recent decades, from levy-funded programmes via the industrial training boards in the 1960s and 1970s, to virtually no support or intervention at all in the early 1990s.
- 6.4 However, in 1994, the Government, faced with concerns about skills shortages in the UK, introduced a new apprenticeship scheme entitled Modern Apprenticeships (since renamed 'Apprenticeships'), based on frameworks that were devised by [Sector Skills Councils](#).
- 6.5 In 2011, the Government invested £1.2 billion into the apprenticeship programme. The same year saw 457,200 people start new training as an apprentice. Apprenticeships schemes have come to be seen as an integral tool for improving the skills of the workforce and thereby promoting long term economic growth.

What is an Apprenticeship?

- 6.6 An apprenticeship can be defined as a real job with training. As employees, apprentices earn a wage and work alongside experienced staff to gain job-specific skills. Most of the training is 'on the job' within the workplace. Off the job, usually on a day-release basis, apprentices receive training to work towards a nationally recognised qualification, such as a National Vocational Qualification (NVQ) provided by a local college or by a specialist learning provider.
- 6.7 Apprenticeships are designed with the help of employers and are intended to offer a structured programme that takes a person through the skills needed for a job. There are targets and checks to make sure that the employer supports the apprentice and that they are making the expected progress.
- 6.8 There are three age groups for apprenticeships; 16-18 year olds, 19-24 year olds and those aged 25+. Apprenticeships can take between one and four years to complete depending on the level of

Apprenticeship, the apprentices' ability and the industry sector.

- 6.9 The National Apprenticeship Service pays the costs of the training; the amount depending on the age of the individual:-

Age	National Apprenticeship Service contribution
16 -18	up to 100%
19 - 24	up to 50%
25 +	Contribution for specified places

- 6.10 Apprentices have the same legal entitlements as the rest of the workforce. They are paid a wage though there is no set rate of pay. However, all employed apprentices must receive a wage of no less than £2.65 per hour. The average wage per week for an apprentice is around £170 and in some job roles around £210 per week. It is estimated that apprentices earn, on average, over £100,000 more throughout their lifetime than other employees.
- 6.11 Apprenticeships cover 1,400 job roles in a wide range of industries; including:-
- Agriculture, Horticulture and Animal Care
 - Arts, Media and Publishing
 - Business, Administration and Law
 - Construction, Planning and the Built Environment
 - Education and Training
 - Engineering and Manufacturing Technologies
 - Health, Public Services and Care
 - Information and Communication Technology
 - Leisure, Travel and Tourism
 - Retail and Commercial Enterprise

National Apprenticeship Service (NAS)

- 6.12 The apprenticeship programme is delivered by National Apprenticeship Service (NAS) which was officially launched in April 2009. The NAS is responsible for the national delivery of targets and co-ordination of the funding for apprenticeship places. They are also responsible for increasing the number of apprenticeship opportunities and providing a dedicated, responsive service for both employers and learners. This includes simplifying the process

of recruiting an apprentice through apprenticeship vacancies, an online system where employers can advertise their Apprenticeship job vacancies and potential apprentices can apply.

- 6.13 The NAS also manage **WorldSkills UK**; a portfolio of skills competitions and activities run in partnership with organisations from industry and education.

Apprenticeship Levels

- 6.14 There are three levels of Apprenticeship available:

Intermediate Level Apprenticeships

Apprentices work towards work-based learning qualifications such as a Level 2 Competence Qualification, Functional Skills and, in most cases, a relevant knowledge-based qualification.

Advanced Level Apprenticeships

Apprentices work towards work-based learning such as a Level 3 Competence Qualification, Functional Skills and, in most cases, a relevant knowledge based qualification.

Higher Apprenticeships

Apprentices work towards work-based learning qualifications such as a Level 4 Competence Qualification, Functional Skills and, in some cases, a knowledge-based qualification such as a Foundation Degree.

- 6.15 All apprenticeships operate to a rigorous framework of requirements. All require a competent level of English and Maths, IT skills and technical certificate. Employers are involved in their development and they can be tailored to meet the specific needs of the business.
- 6.16 The level of training does not have to stop at the Intermediate, Advanced or Higher Level Apprenticeship. If a person wants to go on to University they should be able to find an offer of a place on a Foundation Degree or other higher level qualifications. Government, employers and schools are committed to expanding and delivering higher and advanced apprenticeships.
- 6.17 Over recent years, apprenticeships have come to be seen as bringing considerable value to employers, individuals and the economy, not only in terms of developing a highly skilled workforce but also by boosting productivity and staff retention.

- 6.18 For many, apprenticeships are considered the optimal way of training, developing and skilling people for the future, helping businesses to secure a supply of people with the skills and qualities they need and which are often not available on the external job market.

Apprenticeship Performance in Sunderland

- 6.19 The Panel went on to look at the current performance of apprenticeships in Sunderland, drawing on our discussions with representatives from the NAS, local employers, training providers and schools.
- 6.20 As a starting point, the Panel received an overview of performance over recent years based on data supplied by the NAS. The performance data covers the total number of apprenticeship starts; more detailed information on performance relating to 16-18 yr olds and a breakdown across economy sector, gender and disability. Detail of performance across these areas is set out in Appendix 1.

Apprenticeship Starts

- 6.21 In terms of the number of apprenticeship starts, the figures show that after many years of consistent, sustained growth there has been a slight reduction in total Apprenticeship numbers for 2011/12.
- 6.22 Overall (across all age groups) the number of Sunderland resident apprentices has decreased by 2.1% between 2010/11 and 2011/12. However there have been significant variations across the apprenticeship age categories. There has been continued significant growth in 19-24 and 25+ age groups but a significant decrease in the 16-18 age group. This decrease mirrors broad trends at national and regional level – however the Sunderland rate of decline for 16-18 year olds is almost twice that of the regional average.
- 6.23 The numbers of young people starting on Advanced Apprenticeships although reduced are much less severely affected than numbers for Intermediate Apprenticeship starts. The proportion of Advanced Level (3+) Apprenticeship has remained fairly static and does not yet reflect latest national and local policy shifts towards increasing provision at this level and higher. However the key driver to this ratio is that the larger volume sectors (Administration, Customer Service, and Construction) do not require Level 3 for new employees to operate effectively.
- 6.24 In terms of delivery across the main sectors of the local economy, the recruitment split has remained fairly consistent over the last 3 years although a small number of new sectors have recruited in 2011/2012. However the volume of delivery across many of the sectors have shown a year on year decline. Particularly adversely affected (in start

volume terms) have been Childcare, Construction, Customer Service, Engineering, Health and Social Care and Sales/telesales.

- 6.25 Some sector areas have recorded a slight growth; Creative and Digital and Rail Transport (first year of Apprenticeship delivery in this sector area) but most notably, Accountancy has seen an increase of 54%.
- 6.26 With regards to gender, for 16-18 year old Apprentices although there has been a slight increase in the proportion of male Apprentices, the gender split of Apprenticeship starts has not changed significantly over recent years. The slight reduction in female/male ratio is due to a reduction in the sector areas which more traditionally recruit females (i.e. Care, Childcare and retail/sales). Similar patterns apply for the 19-24 year old and 25+ age groups where the male/female split has remained fairly constant over recent years.
- 6.27 For people with a declared disability, the percentage of starts for 16-18 year old Apprentices has dropped significantly from 10.0% to 5.3%.
- 6.28 The picture is variable across the older age groups but the data would seem to confirm that there is no sustained growth in LLDD starts.

Apprenticeship Success Rates Across Age Groups

- 6.29 Appendix 2 sets out the apprenticeship success rates across all apprenticeship age groups.
- 6.30 For 16-18 year old Apprentices, success rates continue to show year on year improvement overall; however there has been a slight dip in performance at Advanced/Higher level. The figures confirm that although the rate of improvement is slightly lower than neighbouring areas, Sunderland learners continue to perform well above both regional and national averages.
- 6.31 In relation to 19-24 yr old Apprentices, rates continue to consistently perform well at above regional and national averages. Performance at both Intermediate and Advanced levels have shown year on year improvements.
- 6.32 Finally for 25+ yrs apprentices, performance has been less consistent. There was a significant dip in performance in 2009/2010 – however this can be attributed to the high number of learners who were migrated from the Train to Gain programme onto an Apprenticeship framework who subsequently failed to complete (particularly at Advanced Level). However performance did improve significantly in 2010/2011 although it remains slightly below regional and national averages.

Employer Engagement

- 6.33 Figures provided by the NAS on line system (which includes most but

not all vacancies), show that for 2011/12, 1575 Sunderland residents (1625 in 2010/2011) aged 16-18 have placed 3548 applications (4654 in 2010/2011) via the NAS website. The sectors attracting most applications were Business Administration, Customer Service, Health and Social Care and Warehousing.

- 6.34 There were 621 vacancies placed by Sunderland based employers during 2011/2012. Of these vacancies 61 were in ICT sector; 67 in Health, Public Services and Care; 81 in the Engineering; 89 in Retail/sales/customer services and 278 in Business Administration.
- 6.35 Apprenticeship recruitment tends to be higher among the city's larger employers, such as Nissan, Rolls Royce and Gentoo, whereas recruitment among small and medium sized businesses is much less prevalent.

Outcome of Discussions

- 6.36 During our review, the Panel met with the range of bodies involved in the development and delivery of Apprenticeships in the city; ranging from representatives from the NAS, employers, training providers and schools. The discussions provided the opportunity to look at the major challenges facing the city and the barriers to the growth in the number of high quality apprenticeships.

Barriers to Growth of Apprenticeships

- 6.37 Based on the figures presented to us and our discussion with representatives of employers and providers, there is clearly a shortage of apprenticeship places available within the city. This is compounded by the figures for 2011/2012 which show a worrying fall in the overall number of people starting Apprenticeships, particularly among the 16-18yr old age group. Indeed, the severity of the situation was highlighted by Dave Hall, Director of Employer Provision at Sunderland College who estimated that there were currently around 10 applicants for every Apprenticeship vacancy across 10 different occupational areas.
- 6.38 During our discussions, there was a general consensus that the major factor behind the shortage of apprenticeships was the depressed state of the national and local economy. Firms faced with the uncertainty of a harsh economic climate are less willing to recruit apprentices even given the range of incentives on offer and their professed commitment and enthusiasm for the apprenticeship scheme.
- 6.39 However, a number of other explanations were felt to have contributed to the recent fall. For the NAS, one reason for the drop was the desire to drive up the quality of apprenticeships. Concern over the quality of a small but significant proportion of apprenticeship training had led to the withdrawal of a small number of providers but this may well have had an impact on the number of apprenticeship places available.

- 6.40 As well as the factors contributing to the fall in the overall number of apprenticeships, it was considered that there were a number of specific factors behind the fall among 16-18 year olds where recruitment is down by almost 25%.
- 6.41 Principally, employers have shown a preference for older applicants who they feel possess better key skills and experience. For example, Gentoo noted that of their current cohort of 28 apprentices only 3 or 4 were 16yrs old. They had received over 700 applicants and found that the older applicants were better in terms of key skills and confidence.
- 6.42 It has also been suggested that there is a perception among employers that a large number of young people coming out of education may have the required academic qualifications but are yet work ready either through the lack of literacy or numeracy skills or inadequate social skills. The NAS noted that in their view there was no problem with the quality of young people coming out of schools but that 16-18yr olds have little experience in applying for jobs and may be less ready for employment.
- 6.43 A further possible factor could be that the increase in university fees has resulted in fewer 19-24 yr olds going on to Higher Education and instead opting to follow an Apprenticeship and thereby making it more difficult for 16-18yr olds leaving school to directly access apprenticeship opportunities.
- 6.44 The Panel heard that the Government was currently drawing up proposals for a Pre-Apprenticeship (Traineeship) Programme in order to better prepare young people for the world of work. The Panel is supportive of this move and we look forward to the details being announced.

Support to Businesses

- 6.45 During our discussions, we heard that some employers, particularly SME's, may consider the amount of funding available to recruit an apprentice is insufficient recompense for the investment of resources required before a young person is in a position to be a productive asset to the company. Indeed, representatives from the training providers argued that the Government may need to reconsider the level of funding available to firms to make it more attractive for them to recruit apprentices, particularly from the 16-18yr old age group. For them, undertaking an apprenticeship should be seen as being akin to undertaking further or higher education and the level of financial incentive should reflect this.
- 6.46 Clearly, the level of incentive offered to firms is a difficult and contentious area. Views differed on the importance of financial incentives as a determinant of whether a firm recruits an apprentice. It

is perhaps something on which the Government could undertake further research.

- 6.47 While a number of incentives exist for employers to recruit an apprentice there remains the question of whether the message is getting out to employers about the potential benefits of apprenticeships and whether they are being made sufficiently aware of the incentives available.
- 6.48 The NAS referred to the difficulty involved in engaging with businesses – an issue reiterated by the University. One solution has been the holding of high profile events or conferences designed to raise awareness of apprenticeship programmes. As an example, the Panel attended a large scale event organised by Gentoo in order to share experiences and best practice with businesses in their supply chain. The event was very well attended and a successful example of promoting apprenticeships. The Panel consider that when organising events for the business sector, it was important to share experiences and best practice in order to maximise attendance.
- 6.49 Another approach to raising awareness of apprenticeships among firms was the use of personal contact and peer influence. It was felt that small informal sessions such as a business clubs can be a useful vehicle for firms passing on and exchanging information. Businesses are often more likely to be influenced by the positive experiences of other firms. It was also suggested that greater use of press and newsletters aimed at the business community could raise awareness.
- 6.50 The Panel also considers that employers may be more likely to recruit apprentices if the apprenticeship process itself was simplified as far as possible. We feel that many, particularly small employers, are put off by the levels of bureaucracy – or at least the perceived levels of bureaucracy - involved in the apprenticeship process.
- 6.51 We therefore welcome the action being taken by the NAS to simplify its processes and particularly it's IT system and would support any further action in the future.
- 6.52 Another potential method of involving smaller firms is the influence that can be brought to bear larger firms on their own supply chain. For example, Nissan has been active in developing the skills base of their suppliers in order to ensure that they do not experience skill shortages in the future. This is also an approach that has been successfully adopted by Gentoo who have secured commitments by their suppliers to use a number of local apprentices.
- 6.53 The Panel consider that there is considerable potential in using this approach. We would also suggest that there is a role for the NAS and the Council to promote this approach with other large firms in the city and to develop such an approach itself. We would therefore suggest

that the Council investigate the possibility of organising an event involving firms in its own supply chain.

- 6.54 We also feel that the Council should continue to develop the potential of using its planning and procurement processes to encourage firms doing business with the Council to employ a percentage of local apprentices through the use of Social and Economic Clauses. Furthermore, the Council should look to encourage other members of the Sunderland Partnership to develop this on a city wide basis.

Information Provided To Schools and Other Guidance Agencies

- 6.55 During our review, there was a general consensus that young people, parents/carers and schools are not receiving adequate information on apprenticeships and that more needed to be done to raise the awareness of and benefits of apprenticeships.
- 6.56 School headteachers noted that they would welcome a more proactive approach from the NAS in promoting apprenticeships while recognising the resource constraints under which they operate. If it was possible, schools would welcome visits or further discussions with the NAS and the training provider network with a view to cascading the information to interested parties.
- 6.57 It was recognised that the transfer of Information, Advice and Guidance (IAG) duty to schools has resulted in non-consistent provision for careers advice. There was a consensus that there is a risk that young people in schools would not receive access to high quality impartial advice.
- 6.58 This concern was reiterated by the Training Providers who felt that more needed to be done to ensure that young people are aware of the options available to them in order that they can make an informed decision.
- 6.59 We feel that Connexions Service should continue to have an important role in helping to guide young people on their career paths and provide impartial advice. They are in a position to highlight the benefits of apprenticeships and can work closely with schools and providers to show that Apprenticeships are equivalent to academic qualifications
- 6.60 We feel that regular joint meetings of the key players can have a major impact and build on communications between NAS and schools. We suggest that efforts continue to develop the link between Teachers Groups, NAS and the providers.
- 6.61 There was also a general consensus that apprenticeships were treated with less esteem than an academic path and that apprenticeships are often seen as a pathway for less academically gifted.

- 6.62 We feel that action needs to be taken to counter that argument. We need to raise the profile of apprenticeships in order that they are recognised as having equivalent status to that of academic qualifications.

Impact of Apprenticeships on Client Groups not able to complete the Apprenticeship Scheme

- 6.63 During our discussion, concern was expressed that the focus on apprenticeships could deflect attention to those not able to secure an apprenticeship. The entry criteria for Apprenticeships is high with many young people struggling to meet it. The NAS confirmed that the entry level for apprenticeships is high and that this is more likely to increase than go down. There was concern that this was leading to an increase in the number of 16-18 yr old NEETS and adversely affecting the opportunity for learners with special educational needs or disabilities accessing an apprenticeship.
- 6.64 While it was noted that apprenticeships are not the most appropriate progression pathway for all young people, it was agreed that it is important that all appropriate progression pathway arrangements are established in order to ensure that they enable all learners to progress onto the pathway most appropriate to them.
- 6.65 During our discussions mention was made of some of the other options for young people through working in partnership with key local employers and further education providers. For example, Northumbrian Water was cited as a firm that have been involved with a number of schools working with very challenging students. However, it was recognised that this work was highly resource intensive.

Role of the Council and Partnership Working

- 6.66 In the view of the Panel, the development of apprenticeships will best be developed through joint working and a shared understanding by a range of partners and agencies operating in the city; including employers, training providers, schools and the Council. The Panel itself took the opportunity to visit the Sunderland City Providers Network and met with some business members of the Economic Leadership Board and we were impressed by the level of commitment and joint working already evident.
- 6.67 Such joint working can provide an opportunity to set out a clear strategy for developing apprenticeships and discuss any opportunities and barriers. It should also help to make the most of available resources and focus the direction of work.
- 6.68 We consider that the Council has an important role as a community leader and is well placed to bring people together and coordinate responses. It was pleasing that our partners were aware of the

Sunderland Economic Masterplan and its potential to provide a strategic focus for the economic development of the city. It is important the Council looks to continue to raise the apprenticeship agenda through the Economic Leadership Board and associated groups. This should provide us with an opportunity to better focus our interventions on a particular age group or employment sectors.

- 6.69 The Panel consider that it is important for Sunderland to focus intervention on sectors highlighted as key growth areas in the Economic Masterplan and promote the take up of high quality apprenticeships. A key aim of the Economic Masterplan is to increase the number attaining Levels 3 and 4 and it is important that action is focused in this area.
- 6.70 The ability to focus on particular employment sectors should also help the city to promote and improve the quality of apprenticeships on offer and focus growth in key areas of the economy important to Sunderland, such as Advanced Manufacturing and Engineering.
- 6.71 David Donkin, Sunderland University stressed the importance of preparing now for the potential skills deficits in areas such as engineering to ensure that we are in a position to recruit from within the local workforce.
- 6.72 It is also important that the Council maximises the opportunities being presented through Newcastle City Council's Wave 1 City Deal, with the development of a Skills and Apprenticeship Hub for the NELEP region.
- 6.73 Furthermore the recent announcement of City Deal Status for Sunderland provides the Council with the opportunity to become more directly involved in employment and skills development within the city.
- 6.74 It was noted that the Council was already developing closer links with the NAS and looking at how best they can work together. We would suggest that the Council and the NAS should work together to agree actions that are geared to meeting the specific economic needs of the city.

.

.

7 CONCLUSION

- 7.1 The development of the skills of the city's workforce is a key component to the economic growth in the city. Apprenticeships can play a significant role in improving the city's skills base. We need to return to the culture of organisations offering apprenticeships and training.
- 7.2 It is important that apprenticeships lead to sustained employment beyond the completion of the Apprenticeship framework. We need to increase the number of employers offering apprenticeships. Better quality is both better for the apprentice and for the business – building confidence in the value of apprenticeships in the business sector. We need more apprenticeships and of higher quality.
- 7.3 However, there currently exists a shortage of apprenticeship opportunities among local firms who are understandably reticent of recruiting apprentices at a time of economic recession.
- 7.4 It is important that we have strategic approach to incentives offered to firms and the advice that is given. Communication is the key. We need to give out a clear message about apprenticeships; what they can offer and the quality of training and support that both the apprentice and the employer can expect to receive.
- 7.5 We need to encourage larger employers to take a more active role in engaging smaller businesses through the supply chain. We feel that this idea could be taken up by other major employers including the Council itself.
- 7.6 We are not ignoring the needs of the 19-25 year olds. It is important that this age group does not miss out on the opportunity of apprenticeships. However the key priority we must look to address is the issue of falling 16-18 yrs numbers, particularly in light of the forthcoming introduction of Raising of the Participation Age (RPA).
- 7.7 We need to ensure there is balance between academic and vocational training in the advice given to students at school and at college. We need to ensure that all schools offer informed and impartial guidance to young people and are fully aware of the value of apprenticeships.
- 7.8 Apprenticeships need to be an attractive and aspirational option for all. Vocational education/training should not be seen only for those who are unable to undertake an academic route. The academic and vocational route should be given equal weight when delivering career advice.
- 7.9 The NAS has an important role to raise awareness of apprenticeships in schools and in achieving a growth in the number of employers

offering apprenticeships. It is important that they work with schools and providers within resources available to help schools.

8. RECOMMENDATIONS

8.1 The Panel key recommendations are as outlined below:-

(1) that the Council examines the measures available to increase apprenticeship opportunities, particularly high level apprenticeships, in key sectors of the city's economy;

(2) that the Council and the National Apprenticeship Service (NAS) agree a set of actions that are geared to meeting the specific needs of the city;

(3) that further work be initiated to understand the Post-16 Destinations of learners in the city;

(4) that the Council **confirms its continuing support for** the inclusion of Social and Economic Clauses into its planning and procurement processes.

9. ACKNOWLEDGEMENTS

9.1 The Committee is grateful to all those who have presented evidence during the course of our review. We would like to place on record our appreciation, in particular of the willingness and co-operation we have received from the below named:-

- (a) Stephanie Rose, Assistant Policy Lead
- (b) Dave Barber, Development Officer, Children's Services
- (c) Vince Taylor, Head of Strategy and Performance
- (d) Dave Hall, Director of Employer Provision, Sunderland College
- (e) Andrew Carton, Connexions, Sunderland Council
- (f) David Donkin, Assistant Director, University of Sunderland
- (g) Julie Harrison, Workforce Development Consultant
- (h) Members of Sunderland City Training Provider Network

10. BACKGROUND PAPERS

10.1 The following background papers were consulted or referred to in the preparation of this report:

Notes of the meeting of the Skills, Economy and Regeneration Scrutiny Panel

Business, Innovation and Skills Select Committee Report on Apprenticeships (Oct

2012) <http://www.publications.parliament.uk/pa/cm201213/cmselect/cm/bis/83/83.pdf>

The Richard Review of Apprenticeships (Nov 2012)richards review
apprenticeships -
National Apprenticeship Service Website [National Apprenticeship
Service \(NAS\) - Apprenticeships](#)

Appendix 1

Total number of Apprenticeship Starts in the 2011/2012 Academic Year compared with previous years.

Key age groups	2009/2010	2010/2011	2011/2012	09/10-10/11 % change	10/11-11/12 % change
Overall Apprenticeship starts (Q3) aged 16-18	1256	1499	1077	+19.3%	-28.2%
Regional change				+21.6%	-14.7%
Overall Apprenticeship starts (Q3) aged 19-24	645	995	1115	+54.3%	+12.1%
Regional change				+44.4%	+20.9%
Overall Apprenticeship starts (Q3) aged 25+	524	1901	2113	+262.8%	+11.2%
Regional change				+329.8%	+24.2%
Sunderland resident totals	2425	4395	4305	+ 81.2%	-2.1%

Breakdown of Apprenticeship Starts relating to 16-18 yr olds

16 year olds	2009/2010	2010/2011	2011/2012	09/10-10/11	10/11-11/12
Apprenticeship starts	302	399	253	+32.1%	-36.6%
Of which					
Intermediate Level (2) Apprenticeship	256	349	197	+36.3%	-43.6%
Advanced Level (3)/Higher Level (4) Apprenticeship	46	50	56	+8.7%	+12.0%
17 year olds	2009/2010	2010/2011	2011/2012	09/10-10/11	10/11-11/12
Apprenticeship starts	487	605	389	+24.2%	-35.7%
Of which					
Intermediate Level (2) Apprenticeship	398	497	292	+24.9%	-41.2%
Advanced Level (3)/Higher Level (4) Apprenticeship	89	108	97	+21.3%	-10.2%

18 year olds	2009/2010	2010/2011	2011/2012	09/10-10/11	10/11-11/12
Apprenticeship starts	467	495	435	+6%	-12.1%
Of which					
Intermediate Level (2) Apprenticeship	323	334	285	+3.4%	-14.7%
Advanced Level (3)/Higher Level (4) Apprenticeship	142	160	149	+12.7%	-6.9%

Apprenticeship Starts By Gender

Starts by Gender		2009/10	2010/11	2011/12
16-18 year olds	Female	54.1%	48.9%	47.4%
	Male	45.9%	51.1%	52.6%

Starts by Gender		2009/10	2010/11	2011/12
19-24 year olds	Female	51.6%	52.3%	49.1%
	Male	48.4%	47.7%	50.9%

Starts by Gender		2009/10	2010/11	2011/12
25+ year olds	Female	52.1%	53.5%	54.0%
	Male	47.9%	46.5%	46.0%

Apprenticeship Starts By Disability

Starts by LLDD		2009/10	2010/11	2011/12
16-18 year olds	Yes	10.0%	8.9%	5.3%
	No	89.5%	90.8%	94.5%
	Unknown	0.5%	0.3%	0.2%

Starts by LLDD		2009/10	2010/11	2011/12
19-24 year olds	Yes	3.9%	7.2%	4.0%
	No	95.5%	92.4%	95.5%
	Unknown	0.6%	0.4%	0.4%

Starts by LLDD		2009/10	2010/11	2011/12
25+ year olds	Yes	3.4%	5.1%	4.9%
	No	95.0%	94.3%	94.3%
	Unknown	1.5%	0.6%	0.8%

16-18 Apprenticeship Starts in Established (i.e. have a tradition of regular annual recruitment) Sector Areas.

Framework title	2009/2010 starts	2010/2011 starts	2011/2012 starts	Difference 2010/11 to 2011/12 (number/%age)
Accountancy	20	11	17	+6 (54%)
Active Leisure	21	66	55	-11 (-15%)
Beauty Therapy	13	10	3	-7 (-70%)
Business Administration	315	204	189	-15 (-7%)
Childcare	89	55	11	-44 (-80%)
Construction	106	115	70	-45 (-39%)
Creative and Digital			14	+14
Customer Service	95	321	186	-135 (-42%)
Dental Nursing	16	7	10	+3 (42%)
Electrotechnical	21	19	11	-8 (-42%)
Engineering	87	125	67	-58 (-46%)
Hairdressing	91	90	84	-6 (-7%)
Health & Social Care	90	54	28	-26 (-48%)
Hospitality & Catering	49	37	29	-8 (-22%)
IT and Telecomms Professional	31	91	72	-19 (-21%)
Motor Vehicle Maintenance	58	49	45	- 4 (8%)
Plumbing	24	11	7	-4 (-36%)
Retail	53	27	14	-13 (-48%)
Rail Transport			12	+12
Sales and telesales	32	92	8	-84 (-93%)

Success Rates (16-18yrs)**Appendix 2**

Apprenticeship level	2008/2009	2009/2010	2010/2011	Difference
Intermediate Level Apprenticeship (Level 2)	68.4%	71.6%	74.6%	+3%
Advanced/Higher Level Apprenticeship (Level 3/4)	80.9%	83.3%	83.0%	-0.3%
Overall	71.9%	74.8%	76.9%	+2.1%
Regional Average	65.8%	70.1%	73.8%	+3.7%
National Average	69.6%	72.4%	74.0%	+1.6%

Success Rates (19-24)*

Apprenticeship level	2008/2009	2009/2010	2010/2011	Difference
Intermediate Level Apprenticeship (Level 2)	73.8%	75.7%	79.5%	+4.2%
Advanced/Higher Level Apprenticeship (Level 3/4)	62.7%	76.0%	80.1%	+4.1%
Overall	69.4%	75.8%	79.7%	+3.9%
Regional Average	68.2%	73.5%	77.6%	+4.1%
National Average	71.3%	74.9%	77.8%	+2.9%

Success Rates (25+)*

Apprenticeship level	2008/2009	2009/2010	2010/2011	Difference
Intermediate Level Apprenticeship (Level 2)	84.7%	78.0%	81.2%	+4.2%
Advanced/Higher Level Apprenticeship (Level 3/4)	74.1%	60.5%	72.8%	+12.3%
Overall	82.6%	70.9%	77.7%	+6.8%
Regional Average	74.3%	69.1%	78.0%	+8.9%
National Average	75.9%	75.1%	78.8%	+3.7%

*N.b. 2011/2012 consolidated success rate data was not available at the time the Scrutiny Panel was carrying out this review.