

# North York Moors National Park Authority

26 June 2017

## Apprenticeship Programmes

### 1. Purpose of the Report

- 1.1 To update Members on the progress that is currently being made with the apprenticeship programmes run by the Authority.
- 1.2 To set out what is happening nationally to Apprentice programmes and highlight the potential opportunities/issues for the future.

### 2. Background

- 2.1 As Members will be aware, the Authority is rightly proud of the work that it has done over the last 15 years in providing a substantial number of apprentice places (currently 16) as part of its workforce. This has given the opportunity for approximately 120 local young people to develop skills, get an understanding of the world of work and gain a foothold in the employment market. While a small number of apprentices have 'dropped out', the vast majority have successfully completed their apprenticeship and found work in and around the National Park area.
- 2.2 The Authority started by running one team of Environmental Conservation apprentices based in Helmsley, set up with the help of external funding. Over the years a northern apprentice team was added, based at Danby, as well as establishing 2 Business Administration apprenticeship placements in the Customer Service and Planning teams. The latest addition to our apprentice portfolio is a Tourism apprentice at Sutton Bank and we are currently recruiting for a similar apprenticeship based at Danby.
- 2.3 While the Administration and Tourism apprenticeships have been mainly core funded, the Authority has been successful in obtaining external funding to contribute towards the costs of the two Environmental Conservation apprentice teams. For the Helmsley team, this has taken the form of an annual grant from the Forestry Commission in exchange for undertaking work on their property plus payments for the work done by Steve Young, Apprentice Supervisor, for Askham Bryan College in formally assessing the practical work done by the apprentices. External funding for the northern team has been less consistent with a number of different funding partners over the years. While this has caused some difficulties, the decision made by Members to underwrite the scheme has given much needed certainty.
- 2.4 The Forestry Commission has recently given notice that in view of its own trainee placement arrangements, it will no longer be able to support the southern apprentice team financially. In addition, Prior Pursglove College's contribution to the northern team has dwindled to the point where working in partnership with them is no longer viable. It is likely that around £18K of the £25K funding that has been recently lost will be replaced by input from This Exploited Land of Iron and the Howardian Hills AONB.
- 2.5 Officers continue to look for other partners and funding opportunities to help support the apprentice programme. The sponsorship of tools from Makita and the subsidised use of a Land Rover have been very welcome and are a good example of what can be achieved.

- 2.6 The Authority's external funding bids include development of work for apprentices wherever possible, for example, the funding for This Exploited Land of Iron includes provision for apprenticeships and the same will be the case, if successful, with the Ryevitalise Project.
- 2.7 The Authority does regard itself as an exemplar and has regularly won regional and national awards over the last 15 years. We have also sought to share information about how we run our apprentice schemes with other employers, particularly within the National Park family.

### 3. **Current Situation**

- 3.1 When the Authority started recruiting apprentices, the offer of training in the local area was relatively new and there were always a considerable number of applicants for each vacancy. This has changed markedly over recent years as successive Governments have sought to encourage more businesses to offer apprenticeships; in addition, young people have also been given considerable encouragement to pursue further and higher education options.
- 3.2 The current Government's target for public sector employers is that 2.3% of their workforce must be apprentices. While this target does not present a challenge to the Authority, it does mean that there is significantly more competition to attract apprentices. The picture in North Yorkshire is such that there are simply not enough young people looking for apprenticeships for the public sector to meet its target – this is before the needs of the private sector locally are taken into consideration.
- 3.3 An inevitable consequence of this is that young people are becoming more selective in what they choose to do and more aware of what other employers offer. The pay offered by the Authority for a first year apprentice is currently £130 per week and the apprentices move to the minimum hourly rate for their age in year 2. While the Year 1 training allowance is above the minimum requirement, many of our competitors offer better financial packages.
- 3.4 Officers believe that the Authority is very strong in terms of the quality of its training and what it spends on developing skills and the ultimate success of its apprentices in finding good quality jobs. While young people and their parents appreciate this, it is easy to understand why an apprenticeship offering more money might be attractive.
- 3.5 Access to affordable transport is a rural issue generally and does adversely affect the ability of young people to travel to their workplace. Our younger apprentices may not be able to drive and public transport either doesn't exist or isn't timetabled for work purposes. Over recent years, the Authority has organised car shares, subsidised bus travel and paid toward renting a scooter (via a Wheels to Work scheme). Until now, this has been on an ad hoc basis, but Officers believe that part of the package to continue to ensure that our apprenticeships remain attractive will be to offer something more coherent around support in travelling. On a more positive note, early discussions with Northern Rail have brought an offer of heavily subsidised train travel from Middlesbrough to Danby.
- 3.6 Schools can sometimes present apprenticeships less positively than they might do. While on the one hand this is disappointing, schools have their own financial issues and it is understandable that they wish to fill their 6<sup>th</sup> forms. Officers have therefore sought to engage positively with schools by taking part in as many careers events as possible. While these are invariably positive and enjoyable, they are time consuming. In order to try to find additional resources to target and attend careers events, Officers have written a Volunteer job role and intend recruiting at least one volunteer for the autumn/winter 'season'.

3.7 Officers will do some more work on apprentice pay and travel arrangements after the 2017 recruitment has been completed and come back to Members with specific proposals later in the year.

#### 4. **National Apprenticeship Picture**

##### **Trailblazing**

4.1 Until very recently, most apprentice programmes have been covered by frameworks usually set up by colleges or training providers. The Government was concerned that this resulted in apprenticeships that were college rather than employer led. The apprentice trailblazing initiative is designed to change this over the next 2-3 years with the result that all funding for the current frameworks is slowly being withdrawn. If employers wish to run apprenticeships, then they can only do so if it is via one of the new employer led apprentice trailblazing standards. If an employer wants to run an apprenticeship in an occupation that isn't covered by a new standard, then it needs to set one up in conjunction with at least 9 other employers.

4.2 While this does put employers back in the driving seat, the process to develop a new apprentice standard is complex and time consuming. Officers here are leading on the development of a Countryside Worker standard and, as part of the DEFRA 8 point plan, are due to be leading on setting up 2 other standards by 2020. At the time of writing this report, the Countryside Worker standard has been written and submitted for approval. If it passes this stage, the employer group then needs to develop an assessment framework which then requires further approval before the standard can be used. At the point of giving final approval a decision will be made by the Institute for Apprenticeships (see paragraph 4.3) on the funding level that the standard will attract.

4.3 Government responsibility for apprenticeships has not really been settled with the role being passed between several different government departments in the last 2 years. However, from 1 April this year, the Institute for Apprenticeships (a non-departmental public body) has been set up to ensure high-quality apprenticeship standards are developed and advise government on funding. This should, in time, result in a more consistent and coherent approach to the development of trailblazing standards.

##### **Changes in Funding**

4.4 There are a finite number of young people for whom leaving school/college and joining an apprentice programme is the right option. For many, the route into higher education will continue to be a preference. While apprenticeships have never been restricted to young people, the financial support from government for the academic part of the training programme has been for people aged 16-24 who hadn't got higher level qualifications. This, in practice, resulted in it being unaffordable for the Authority (and many other employers) to offer apprenticeships to a wider range of people.

4.5 These restrictions have now been lifted and funding (with some conditions) is available for anybody who wishes to take part in an apprenticeship. This change has provided the Authority with an opportunity to consider a wider pool of applicants. While the number of local young people leaving school and wanting to pursue an apprenticeship appears to have diminished, over the years we have had a steady stream of enquiries from older people wanting a change of career and new graduates keen to add practical work experience to their theoretical knowledge. Until now we have not been able to help them, but the removal of previous financial barriers has resulted in this picture changing and our first 'older' apprentice has joined us.

While Officers welcome this development, they continue to be mindful that the Authority has put funding into the apprentice programmes to provide opportunities for local young people to train, get jobs and continue to live in the area. This will continue but perhaps with a wider mix of people in each team.

## 5. **Apprentice Levy**

- 5.1 A central part of the Government's drive to encourage more business to engage with apprenticeships is the Apprentice Levy. This is a tax of 0.5% on employers with a salary bill of more than £3 million per annum. The tax is collected and held digitally for each employer to reclaim on specific apprenticeship training. The restrictions on how the money can be spent are, however, significant. For example, the levy funds cannot be spent on apprentice or supervisors' pay.
- 5.2 If a levy paying employer does not use its funds within a specified time period, they lose them. Some employers see this as essentially an additional tax burden as employing extra apprentices may not fit their business model. In response to this criticism, the Government is considering how to develop a mechanism whereby those employers who are unable to use their levy, can transfer it to partner organisations or those in their supply chain to support apprenticeships.
- 5.3 The Authority is not at the moment an apprentice levy payer. Although this may change as externally funded projects are developed and staff recruited to deliver them, it is not envisaged that the Authority's levy payments will generate significant funds in their own right. Officers are keen, however, to pursue the possibility of accessing levy funds from current or potential partner organisations that are unable to spend all of their own levy. It is expected that the mechanism for this to happen will be consulted upon later this year and implemented in 2018.

## 6. **Financial and Staffing Implications**

- 6.1 There are no financial or staffing implications contained within the contents of this report.

## 7. **Legal Implications**

- 7.1 There are no legal implications arising from this report.

## 8. **Recommendation**

- 8.1 That Members note the contents of this report.
- 8.2 Ask Officers to report back later in the year with a fuller consideration and recommendations on to deal with the issues raised in Part 3 of the report and an update on Government plans for the mechanism for sharing apprentice levy funds.

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**Background papers to this Report**

**File ref**

1. Institute for Apprenticeships  
<https://www.gov.uk/government/organisations/institute-for-apprenticeships>
2. How to develop an apprenticeship standard  
<https://www.gov.uk/government/publications/how-to-develop-an-apprenticeship-standard-guide-for-trailblazers>