

KENT COUNTY COUNCIL

SELECT COMMITTEE - STUDENT JOURNEY

MINUTES of a meeting of the Select Committee - Student Journey held in the Swale 2, Sessions House, County Hall, Maidstone on Wednesday, 6 July 2011.

PRESENT: Mr K Smith (Chairman), Mr M C Dance (Vice-Chairman), Mr A R Chell, Mr I S Chittenden, Mr R J Lees, Mr S C Manion, Mr M J Northey and Mrs C J Waters

IN ATTENDANCE: Miss T A Grayell (Democratic Services Officer) and Mr G Romagnuolo (Policy Overview Research Officer)

UNRESTRICTED ITEMS

4. Interview with David Wales, Director, National Apprenticeship Service (Item 1)

Please introduce yourself and outline the roles and responsibilities that your post involves.

I am the Learner Services Director for National Apprenticeships in the South East. I am responsible for the learner journey and apprenticeships in Kent. The National Apprenticeships Service (NAS) applies in England only, now that Wales and Scotland both have devolved governments. The NAS is organised in regions, and my region is the whole of the South East. Its remit is to build up the number of apprenticeships. To develop this market, we work with employers in companies which employ more than 250 staff, to encourage them to take on an apprentice. We need to galvanise both young people and employers to grow the apprenticeship initiative. Young people can register online and access an Apprenticeships Vacancy system. NAS links with KCC and other local authorities to put apprenticeships on the agenda. Our contacts include the Economic Development teams of local authorities, the Institute of Directors and Chambers of Commerce, and through them we access as many employers as possible. We keep a database of who in an organisation is the appropriate person to deal with, and we go and visit them to encourage their interest and participation. Apprenticeships are a proven way to train a workforce. We work on both sides of the deal – with employers and with potential apprentices. There is a wide range of apprenticeships available.

NAS is part of the Department for Business, Innovation and Skills, so we work for central government with agency status. Our independence helps us to deliver the agenda. We work with partners to help them access funding from the Skills Funding Agency and ensure that it gets to where it is needed. We fund organisations which support the training of individuals.

There is an expectation that all apprentices will ultimately be employed by their hosts once their apprenticeship ends, and the Apprenticeships Skills and Learning Act of 2010 stressed the need for all apprentices to be employed. NAS funds the training of an apprentice; it is the employer's responsibility to take them on at the end of the apprenticeship.

How do you rate the providers? I know Further Education Colleges vary in quality. There are the private providers and people like Kent Association of Training Organisations. Who does it best?

KATO are not involved in the delivery of services, so your comparison is really between colleges and private providers. There is no trend which distinguishes between the two groups, but there are differences between providers within each group. Nationally, the success rate for apprenticeships for 16 to 18 year olds is 72.4%, while in Kent it is 71.8%.

How do you measure success?

A successful apprenticeship is one which is successfully completed. If an apprentice drops out after the sixth week, that is counted as a failed apprenticeship. If the time is completed but the qualification at the end is failed, then that is counted as a failed apprenticeship.

Are apprenticeships more successful as full-time or part-time arrangements?

There are good and bad experiences in both. There are different ways for young people to access apprenticeships. An existing employee could access an apprenticeship by training at a college.

How many young people access a scheme in this way?

Unfortunately, this is not officially measured and there is not reliable data. It is one of the questions on a detailed tracking form that employers complete, but it is not compulsory to answer and many don't.

Do some decline to commit to an apprenticeship as they are not happy in the job they are doing, and they don't want to be tied to it in an apprenticeship?

Young people take different routes into and through apprenticeships, so it is difficult to measure. Some come through part-time work or Saturday jobs, etc. We also encourage recruitment directly into apprenticeships.

The Committee's aim is to be able to identify where people come from to join apprenticeship schemes, what type of jobs they do, and how many and which types of employers get involved in apprenticeships.

We've seen the benefits of apprenticeships in that they help young people to become qualified at something. Many young people might be quite capable but cannot show any formal qualifications. How do they get to the next level?

Our policy is to push for progression to Level 3 (which is the equivalent of A level. Level 2 is the equivalent of GCSE). Most young people do a Level 2 qualification, but we avoid keeping someone at Level 2 if they are capable of doing Level 3. Many need a Level 2 in practical skills even if they have A levels. In some sectors, the norm is for employers to sponsor a young person to Level 2, but we challenge employers to let them move up to Level 3.

Is there a shortage of training providers?

Not at the moment. In the last two years, 12 new providers have become compliant with the regulations.

Could large organisations be their own training provider?

Yes. For example, British Gas, BMW and Rolls Royce all do this, and we encourage this. But sometimes it is difficult even for large organisations to take on apprentices. BAE Systems subcontracts much of this work to providers.

In terms of apprenticeship take-up, what is the breakdown between large and small companies? And how could smaller companies be helped to take on apprentices?

We would always expect a provider to offer a high quality of apprenticeship, regardless of the size of the company, so in that way company size is irrelevant. But there is inevitably an economy of scale, as a larger company can spend more time and offer a bespoke training programme. Small and Medium-sized Enterprises (SMEs) tend to engage more with local communities, which is useful. We have a Small Businesses team, so would direct SMEs to them.

At whom was the 20/20 event focussed? Did it reach the correct audience?

It tends to be business-focussed rather than student-focussed, although some young people did present at it and found their involvement with it to be beneficial.

Which are scarcer – potential employers or potential apprentices?

There are fewer employers, by a very long way. We have 30,000 students registered for apprenticeships, ten times the number of employers that we have registered. There is a seasonal pattern of young people seeking apprenticeships, with September and January being the busiest times. Some vacancies attract very few applicants, or none at all, while some larger companies can be permanently over-subscribed.

What plans do you have in place to cope with the impact of higher university fees and the number of young people who will not go to university as a result?

These will be served by the introduction of Higher Apprenticeships, which can be delivered through a Higher Education college while earning a wage.

Do you see any pattern of take-up based on gender, eg the ‘traditional’ career choices of hairdressing for girls and engineering for boys? At a recent skills festival in Romney Marsh, many girls were interested in learning butchery skills!

In terms of a gender split, overall the numbers of boys and girls taking up apprenticeships are fairly even – 54% boys and 46% girls. Looking at the detail, you find that engineering is still mainly taken up by boys and hairdressing mainly by girls. There are national equality and diversity pilots to address this attitude to ‘traditional’ gender roles, but it is difficult to address.

Is it possible to run apprenticeships through power stations, which are usually in rural locations where other local job prospects are limited?

In terms of geographical spread, apprenticeships have to be where the employment is. There are some work areas which are based in rural areas – eg the agricultural colleges in Kent, which offer courses in animal care, horticulture, land management, etc. In Kent, the most popular subject areas for apprenticeships are customer services, business administration and hairdressing. The first two of these offer the most applicable, transferable skills.

Does government red tape hinder apprenticeships? Why are the government regulations so cumbersome?

In terms of red tape, I agree that it is complicated. The only complication should be for the training provider, as they are receiving the money and should absorb the complications as part of the system. But we would seek to reduce the bureaucracy.

Referring back to gender patterns, I am pleased to see that there are plenty of girls pictured in the literature you've given the Committee. I don't think there should be any move to enforce a 50:50 balance between boys and girls accessing apprenticeships, just give equal access and let natural patterns emerge.

What is the incentive to companies to take on an apprentice?

The benefit of apprenticeship to an employer is that the government pays for the training. If the cost of a scheme is shared in this way, with the employer paying a wage and another party paying for training, an employer is more likely to be willing to take on an apprentice. Apprenticeships also offer an employer an opportunity for peer mentoring, succession planning and to 'grow your own workforce'. It inspires loyalty and can improve sickness records. However, these benefits are identified anecdotally; there has been no study undertaken to demonstrate the economic benefits.

Kent's businesses are mainly small and medium sized enterprises (SMEs); there are very few big companies. How do you reach SMEs? Do they take one apprentice each?

SMEs like to mould their own staff and teach them their own ways, and expect a return on this investment once the young person is trained. In some sectors, eg care, legislation says that an employer has to train their workforce. We can reach SMEs by our Small Business team, and we do include very small companies, eg a father and son decorating firm. For SMEs who could not take on an apprentice for a whole course, we run a model like one in use in Australia, in which employers club together and offer a young person 3 – 6 months' work experience in one company and then move them round to another company in the group.

I think those of us who are shareholders in companies should raise the question of apprenticeships at a company's AGM, and ask what the company offers in terms of apprenticeships, and what it intends to offer in the future.

How does the National Apprenticeship Service fit with Armed Forces recruitment? Do you work together?

We work with them a lot. They link to us directly or through a sub-contractor like BAE Systems, which is mainly MOD-funded. We do recruit apprentices for and through the Armed Forces.

I know that Mid Kent College has a huge contract (approx 33,000 places) with the MOD, to train young people for the Armed Forces.

As a result of the increase in university fees, apprenticeships are likely to become more popular. Are you seeing this change yet?

This will lead to the development of the Higher Apprenticeship, and our role is to fund this. We encourage local training providers to work with universities, and in doing this they have to also work with a local employer.

Will this avoid a student paying £9,000 in tuition fees? Who pays it if they don't?

The onus is on the employer to pay for training for young people over 19 (16 – 18 year olds get free education and training) and the expectation is that they will take on this cost.

How can the KCC support the Federation of Small Businesses and Chambers of Commerce to encourage smaller employers to offer more apprenticeships?

I work with the Economic Development Unit of the KCC and there is much work going on. NAS also links well with the Chambers of Commerce, but I am not so involved with this aspect so I cannot tell you much about this.

What impact does the minimum wage have on Apprenticeships? Does this dissuade employers?

There is a relaxation of the minimum wage rules while a young person is receiving training, and we work with the Low Pay Commission on this. An apprentice receiving training will be paid a minimum of £95.00 per week, which is below the minimum wage, but this rate will change in August 2011. This equates to £2.75 an hour, based on the expectation that they will work 30 hours a week. This doesn't equate to a very high wage but most employers want to pay more, and many do pay substantially more than this.

What can the Select Committee do to promote apprenticeships to employers?

There are various ways. There are financial incentives; a wage subsidy is always welcomed by SMEs. A scheme which paid a £2,500 pa subsidy was very well received, but there are difficulties in administering the funding. It would be very helpful if the Select Committee could raise the profile of this issue, and the issue of engagement with SMEs for succession training.

What if red tape could be reduced and administrative support increased?

I think apprenticeships should be as uncomplicated as possible for a company, and complexities reduced wherever possible. Training providers should bear the complications and deal with the red tape.

Colleges and training providers seem to be quite diverse. What is the position in Kent? Would the introduction of a Quality Mark help?

For the academic year 2009/10, 1,617 young people aged 16 – 18 started apprenticeships. In the same period in 2010/11, the figure was 1,938. These are good results and are above the regional average. Two years ago we gave Local Authorities a target to increase take-up by 20%, but our duty only relates to setting national, not regional, targets. Kent falls short of achieving the national target, and although we will seek to reach it, it will be a big challenge. Kent does have a good record overall but tends to involve older students, ie sixth formers.

The Select Committee has been told that awareness of apprenticeships among Grammar School students is quite low. I had friends who dropped out of sixth form after one year and discovered that they had lost out on one year of an apprenticeship scheme. Why do Grammar Schools seem to miss out on getting the message? Is it because the Further Education colleges are the main promoters? As Further Education colleges have a financial incentive to keep young people on a course, is there a danger that they will try to keep young

people on their books even if the apprenticeship course is not suitable for them?

NAS has some responsibility to spread the message via our website. We don't run direct campaigns as our focus is on employers. Further Education colleges have more motivation to spread the message as there is a financial incentive for them, but if they are influenced by this it is more often to keep a young person on a course when they should encourage them to go into an apprenticeship instead. However, they are influenced as much by the fact that traditional, classroom-based courses are easier to deliver than other styles of training.

If someone completes Level 2, are they counted again as a new starter when they move on to Level 3?

Yes they are. Figures do show up these second-stage starters but I do not have detailed figures readily to hand. *I can advise you later if this would be helpful.*

Considering your vision of Kent, is there a place where you could say that apprenticeships really aren't working well?

The biggest challenge is SMEs and the level of work we have to do with them to promote apprenticeships. We would like to work more closely with them.

5. Interview with Sean Kearns, Chief Executive, Connexions Kent and Medway (Item 2)

Please introduce yourself and describe the roles and responsibilities that your post involves.

I am the Chief Executive of Connexions Kent and Medway, a post which I have held since September 2010. I have previously worked with Connexions in Oxfordshire and the Thames Valley.

Connexions is a charitable body which is run on a not-for-profit basis. Its focus is the delivery of Information, Advice and Guidance (IAG) to young people. Connexions has a contract with the KCC, by whom it is commissioned as service provider. The contract was re-let in 2009 for a 3-year period. Its brief is extensive – to supply IAG to all young people in Kent, via schools. It targets particularly those in vulnerable groups (those with Learning Disabilities or Mental Health issues, young offenders, looked after children and care leavers, and teenage mothers).

There is a universal IAG offer, to all young people in Kent between the ages of 13 and 19 (up to 25 if they have Learning Disabilities), and a targeted offer, to those who are at risk of becoming NEET. The universal offer has been reduced due to cuts in government funding. We work with all training providers, including schools and colleges, and we are impartial in the advice we give about career paths.

Kent Connexions has work-related learning in its contract. We drew together careers IAG and liaised with employers about work-based learning. We also did work-related learning, but this has since been removed due to lack of funding. We now have a challenge about how to pull these threads together. The work-related learning that we used to deliver was made up of work experience and packages which brought employers into schools to give work training.

Under the Connexions contract, every school in Kent has free IAG, and we negotiate annually the number of days each school receives. This number is calculated taking into account the school population and the percentage of pupils who are likely to become NEET. We do the same with colleges, to ensure an even spread of IAG availability.

What sort of things should the Select Committee be asking about the Young People's Learning Agency (YPLA)/Schools package?

You could ask why YPLA funding was withdrawn at two days' notice this March, giving no time for a transition period, and where this withdrawal fits with the Wolf review's support of a switch in work-related learning from under-16 to post-16 next year. Also, why are current Year 11, 12 and 13 pupils left with no provision, and how are schools meant to address this?

The Wolf report had said that work-related learning was expensive but ineffective, and the government seems to agree with that view.

I agree with Wolf's view about the switch but there needs to be a transition period. When we lost out on £600,000 of funding and had to discontinue the service, knowledge was lost as experienced staff were made redundant, but we will need to gather that knowledge together again later to run whatever new service comes along. This is not good practice as it increases the risk of young people getting an inconsistent or interrupted service, and misses out on making links. The Wolf report included a move from Year 10 work placements, but in my view there is a place for these if a young person is at risk of becoming NEET. 20% of 17-year-olds and 25% of 18-year-olds are not in a learning place, and there needs to be targeted work experience provision for these groups. Work experience for 16- and 17-year-olds has fewer costs and there are fewer Health and Safety issues. One-week placements cover lots of work for a young person, but you would have to ask how meaningful just one week could be. Work experience could instead be timetabled as a block-release from school, or perhaps one day a week for 6 or 10 weeks, as part of extended studies. This would involve a longer-term skills development plan, and would be an easier system for many SMEs to plan for and engage with.

From other interviewees, we have heard that good IAG is essential but that provision has drifted from what was planned. Where are the gaps, and what will you be doing to address them?

You have to look at it in context. We have a 3-year contract but the funding has been reduced from £12m to £10m this year, and will go down to £9m next year. We are a contracted public service and we need to work with KCC to minimise the impact of this reduction. We have reviewed our costs to minimise the impact on front line services as far as possible, but there will still be a 20% reduction in the number of people available in schools to speak to young people. Since I came to this post in September 2010 I have found some aspects of the job in which we could increase efficiency and good practice, so we will move ahead with those.

I am a Director of Careers England, which is a national trade body for careers and employment professionals. We originally endorsed the proposed National Careers Service in principle but have not been as supportive of it as the detail has subsequently become clear through consultation. What is proposed is not an inclusive careers service for all ages – it is simply a re-naming of the existing two-tier service, with different services for young people and adults. The Department for Business, Innovation and Skills continues to meet its commitment by funding Next

Step by £88m, and the Department for Education funds some of Connexions Direct, which is web-based and links to the Direct.Gov website, but has not committed to Connexions funding. The result is that we will not end up with an all-age careers service.

Under the changes to the Education Bill, the responsibilities of local authorities will be split between a duty to vulnerable groups (already part of our contract – the client groups I listed earlier) and Section 139A assessments for learners with Learning Disabilities and those at risk of becoming NEET, which will stay with the local authority, and the duty to deliver independent, impartial IAG to all students between the ages of 14 and 16 (instead of 13 and 19, as at present), which will pass to schools and academies, using existing funding. The government is proposing to consult in autumn 2011 on reverting to the broader age range of 13 - 18.

I am concerned - how independent or impartial can IAG be when it is delivered by schools? Might over-16s be given the advice which best suits the school rather than them?

I share your concerns. It is unclear just how independent it can be, and who will police it. The Connexions contract will run to April or September 2012 – it is unclear as yet – and very few schools will be willing to pay for the gap in provision for terms 5 and 6 next year, despite their statutory obligation to do so. Their NEET targets will be adjusted to take account of this.

This change has come about due to legislation, but we need to ask if it improves the prospects of young people. Probably 80% of young people in Kent will not be affected, but they are the ones who make good choices. The ones who will be affected are those who make poor choices and follow their friends rather than make their own decision. However, there will always be a few of the 80% who will make a bad choice, and we need to be clear that they will be able to access IAG on their own terms, as and when they need it. They could be directed to a website for information and advice, but guidance has to be given face to face, either as a one-to-one interview or in a small group session.

From what the Select Committee has heard, I think many young people have plenty of information and less advice, but no guidance.

It is part of our role to ensure the quality and standard of IAG. We work with schools and colleges to do this, and we find a wide range of standards; some have the highest quality IAG and some have a very poor standard. This variance in standard is a national pattern and is not peculiar to Kent. We can give 30 - 40 mins' guidance to each young person but the young people have to get information and advice elsewhere. Young people need to be well prepared to get the most out of this limited session. If they come well-prepared, they get a better quality experience. There is no panacea - you just have to target resources appropriately.

What recommendation would you like to see to address this issue?

In the Education Bill as it stands, the inference is that careers IAG will be removed from schools as a duty, but it implies that IAG will be embedded into the curriculum and no longer be a bolt-on service. But the whole purpose of IAG being in schools is that it should be part of school life. I would welcome this as a Select Committee recommendation. We need to seek a solution in which every young person has a progression route which best meets their needs.

Does Ofsted address this issue?

It is part of their remit, but it is unclear what priority they will give it.

Are you saying that Careers IAG should be embedded in the school curriculum?

Yes, in its own right, not as part of Personal, Health and Social Education (PHSE), as it is at present. It should not be prescriptive but should be about an appropriate outcome for each young person.

In academies, which have direct government funding and so autonomy from the KCC, some Head Teachers might wish to introduce phased psychometric testing to help identify early a likely careers choice for a young person. Can you give a view on this?

There is a market-testing approach which gives a useful way of identifying a young person's skills and interests and an indication of the type of career which might suit them.

How many of the lowest-achieving 20% of young people get this service?

All of them. Our target is that all young people should have good quality advice, but we target especially those who are at risk of becoming NEET (which are mostly in the bottom 20%) as that is what is measured in government targets.

The Select Committee has heard anecdotal evidence from other interviewees of the importance of IAG, but how do we get facts about the value of IAG, to back up a recommendation?

I can leave the Committee some statistics which will give you this information. Kent's performance in terms of getting 16 – 18 year olds into apprenticeships has dipped, as a percentage of population, while the national trend has increased. Our challenge is to get 10% of 16 – 18 year old learners into apprenticeships with training. If we do not set a bold target, we will not reduce Kent's number of young people who are NEET.

Who should set and enforce the 10% target?

KCC should do this, as KCC is our contractor. We should be at 10% attainment by 2013. Many young people are in employment but do not have a training element, so we need to liaise with those employers to convert these placements into apprenticeships.

Is it possible to identify the costs of young people being NEET?

A study by York University showed that it costs £16,000 to make the interventions, via school, that are needed to help cut the risk of a young person becoming NEET. The financial implications are different for different cases. For example:-

- For someone of 16 plus who drops out, the cost is £16,000 for interventions plus £43,000 for the opportunities which are lost to them if they become NEET.
- For a young person with Learning Disabilities who cannot hold down anything more than low-pay short-term employment, the cost is £75,000 for interventions and a total cost to the public purse of £120,000.
- For a young offender, the cost is £125,000 for interventions and a total cost to the public purse of £300,000.
- For every 1% of the population that is NEET, the cost over a lifetime would be £3,000,000 – and in Kent 5.5% of the population is NEET.

Can you comment on young women seemingly choosing teenage pregnancy as a career choice?

In the York University study there were 143 pregnant young women, some of whom were NEET. There were 369 teenage parents who were NEET, and about the same number again who were in employment.

How could we change or influence IAG targets?

There is much partnership working going on around the UK, and Kent has a good record of collaborative working. Partners could offer a voluntary target on the basis that all participants contribute to it. Learning providers have the principal objective as they need motivated learners to work with.

I will leave the Committee some headline statistics. More data can be gained from Career Net Kent, which is web-based and available to all schools and colleges to augment the information provided by Martin Blincow's team. This extra data is collated nationally and will give a regional and national perspective.

Mapping of work experience placements in the last year, plotted against market sectors, shows an under-representation of manufacturing and distribution sectors and an over-representation of public administration and health sectors, compared to the size of the job market. Personal advisors use this data when they are advising young people.

Do schools have a responsibility to come to you for information?

They have a responsibility to seek independent, impartial advice; where they get that from is less important.

When the Committee speaks to young people about the IAG they have received, we can test out what you and others have told us and see if the system is working properly.

Summing up, your three key actions which you'd like the Select Committee to recommend are:-

- **Getting careers IAG embedded in the curriculum**
- **A KCC contract with learning providers to address the target of getting 10% of 16 – 18 year old learners into apprenticeships with training**
- **Establishing targets to tackle the number of NEETs**

Are there any more you would like to add?

There are two more:-

- Connexions are leading on a European Social Fund bid by 40 learning providers for a learner-led programme which will tailor a package of work-based skills training to make young people work-ready. This programme would be adaptable, to meet young people's needs, and funding would follow the learner, with each year's allocation being based on the previous year. Learner funding is a national issue but if Kent wants to do something which differs from the national norm then it has the commissioning powers to do so, although there would need to be an assessment of Kent's spot-commissioning ability. Unless someone challenges the system it will just continue in the same way.

- We are contracted to the KCC to deliver government objectives but our ethos is to do the right thing for the young people of Kent, and we need to challenge and see if we are achieving the right level of employability. We have been part of the problem so we now need to be part of the solution, and will focus on the bottom 10% rather than something for everyone.