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## **Enterprise and Business Committee**

Meeting Venue:  Committee Room 1 - Senedd	Cynulliad Cenedlaethol <b>Cymru</b>
Meeting date: 16 May 2012	National Assembly for <b>Wales</b>
Meeting time: 09:00	

For further information please contact:

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Agenda

PRIVATE - The Committee resolved to meet in private at its meeting on 2 May 2012 for Item 1.

- 1. Inquiry into International connectivity through Welsh ports and airports: Discussion of Draft Report (9.00 9.30) (Pages 1 52)
- 2. Introductions, apologies and substitutions
- 3. Inquiry into Apprenticeships in Wales Evidence session (9.30 10.30) (Pages 53 63)

Kronospan Mike McKenna, Chairman of Kronospan Elliott White, Apprentice - Instrumentation Technician

Airbus

Gary Griffiths, Head of Apprenticeships, Airbus in the UK Richard Wilkins, Apprentice of the Year, Airbus in the UK

4. Inquiry into Apprenticeships in Wales – Evidence session (10.30 –

**11.15)** (Pages 64 – 68) Vale of Glamorgan Council

Allan Williams, Training & Development Manager

5. Inquiry into Apprenticeships in Wales - Evidence session (11.15 -

**12.15)** (Pages 69 – 76) Youth Cymru Helen Mary Jones, Chief Executive

**6. Papers to note** (Pages 77 - 78)

# Agenda Item 1

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#### National Assembly for Wales Submission of Written Evidence by Kronospan Limited

#### **Apprenticeships in Wales**

Enterprise & Business Committee : 16<sup>th</sup> May 2012

#### Introduction:

Kronospan is a wood panel product manufacturing organisation that has 29 plants in 25 countries across the world. The business employees around 11,000 people, with a turnover of over €3Billion, and is the number one player in its market sector.

Kronospan's UK base in Chirk, Wrexham, was established in 1970, and has been producing wood-based panel products since 1973. We are therefore a long term inward investor in Wales.

The organisation has continually re-invested in its operations, to the extent that it is now one of the largest industrial employers in North East Wales, one of top ten manufacturing sites in Wales (Top 300 Companies in Wales 2010). We are one of only four manufacturers of our kind in mainland UK. With over 600 direct employees our business supports over 4,000 further jobs in the supply chain and local economy, many of these in rural areas.

Nine years ago, Kronospan took on its first six apprentices, a change in strategy implemented in order to address:-

- poor UK skillbase compared to our other plants in Europe
- · age profile of our existing workforce and
- overcome ongoing recruitment difficulties no-one training anyone.

The company aims to recruit up to six engineering apprentices a year, with many more applicants than positions due to the high regard that the company's apprenticeship programme has in the area.

Kronospan won the Large Employer of the Year award at Apprenticeship Awards Cymru 2011.

The company provides a wide range of support to its apprentices and offers apprenticeships to mature individuals who are not in a position to return to college full-time.

Over the nine years, the company has recruited 35 young apprentices. Many of these are being further developed to become engineers, team leaders and mentors of the future.

Additionally, Kronospan has provided the following 'mature' apprenticeship opportunities to existing employees:

- 20 Engineering Apprenticeships
- 26 Management Apprenticeships
- 5 Customer Service Apprenticeships



In answer to the terms of reference of the enquiry, brief summary answers are provided below, together with some other observations.

# 1. Is the current apprenticeship system providing effective support to the Welsh economy?

Most large businesses recognise the value of a structured apprenticeship scheme. We are of the opinion that the term "apprenticeship" is too loosely used, and can in some ways devalue what is on offer.

The schemes that are operating in industry have been driven by commercial logic, and to some extent frustration at the quality and experience of people that are produced by the education system.

# 2. Is the current apprenticeship system meeting the current and future skills needs of employers in Wales?

It is clear that the large company schemes are self sufficient and provide a return on the investment made. More work needs to take place to encourage and incentivise SME's to invest in the future through running joint apprenticeship schemes.

# 3. With increased priority on apprenticeships for 16-24 year olds, are apprenticeships an attractive option for young people?

Yes. A well run scheme provides the opportunity for entry to the world of work with continuing learning, and the potential to establish a responsible role in industry that is of an equal or better status than would be offered to a raw Graduate without industrial experience.

# 4. Do the systems for establishing Apprenticeship Standards & frameworks and recruiting Apprentices work effectively?

In our opinion we can operate effectively within the Standards and framework that exist.

Given the size of the business, our contact with standard setting bodies has been extremely limited, so we have not influenced the outcomes.

Our prime motive is to ensure that we provide our business with high level skills that allow us to compete, and in reality our own programme goes significantly beyond the basic requirements.

#### Recruitment methods:

1) Careers Wales Website is a poor website for employers (log on issues, useless application format, etc). By comparison, Go Wales (graduates) site is much more effective.

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- 2) Jobcentre Plus website is effective, but not necessarily seen as a route for school leavers to apply for advanced apprenticeship vacancies.
- 3) Our own direct local advertising, participation with local feeder schools, and referrals from FE colleges have been the principal recruitment routes.

#### Other observations:

#### Schools:

- 1) Our observation is that there are different degrees of enthusiasm and understanding from careers & teaching staff as to whether engineering apprenticeships are the right option for talented engineering students. There has been a shift towards continuing education, rather than channelling young people into the world of work, which sometimes appears to be portrayed as a second best option.
  - WAG could assist by ensuring that talented engineering students are suitably informed of the value and benefits of apprenticeship schemes **prior** to the student choosing his or her options. This should be applied consistently at all schools.
- 2) WAG must ensure schools have sufficient engineering equipment to enable students to fully benefit from undertaking practical engineering based subjects, not just theory.
  - Greater interaction between Schools and technical courses at FE colleges would be beneficial, to give young people the opportunity to maximise their potential.
- 3) Given that students undertake an HNC qualification in years 3 & 4 of our apprenticeship, the advanced apprenticeship scheme requires applicants who are both practically and academically talented, Schools must engage with 'hand-on' students to illustrate the importance of at least 5 A-C's, specifically in Maths, English, Science and a related subject such as Engineering, D&T etc. So many would be applicants cannot meet this basic criteria.
- 4) Education / Industry links need further strengthening. Teachers of engineering subjects must spend time at manufacturing/engineering companies to keep abreast of latest developments and techniques?

#### **FE Colleges:**

- 1) We recognise that our local providers have made great efforts to focus on the requirements of industry.
- 2) The merger between Deeside & Yale Colleges as a South Wrexham employer, it is critical that Yale continue to provide the courses in the



Wrexham travel to work area. It is not feasible to send an apprentice 30 miles to Deeside, full time at the age of 16.

- 3) In 2011, without any prior consultation, Glyndwr University suspended their HNC in Mechanical and Electrical Engineering courses. The company was forced to send our students up to Deeside College a 60+ mile round journey. So far this has proved to be workable, but only because the current batch of students have driving licences and cars. This will not always be the case.
- 4) We have been informed that Yale College may be granted a licence to provide the HNC Engineering Courses. This would be the ideal outcome for us.



## Airbus in the UK Submission of Written Evidence

# ENTERPRISE & BUSINESS COMMITTEE Apprenticeships in Wales May 2012

#### Introduction

Airbus welcomes this opportunity to respond to the Enterprise and Business Committee's inquiry into Apprenticeships in Wales. We will provide evidence from the perspective of an Advanced Manufacturing company with a large apprenticeship scheme operating in Wales.

This response opens by providing background information on Airbus and its apprenticeship scheme. It then addresses some of the specific questions raised in the terms of reference, and concludes with some recommendations.

#### **About Airbus**

Airbus is a global company and the world's leading aircraft manufacturer. In 2011, Airbus achieved a 64% share of the global civil airliner market.

Airbus directly employs over 10,000 highly skilled people in the UK and supports 100,000 further jobs in this country through the company's supply chain and from induced employment. In total, Airbus and its UK supply chain provide supplies and services worth nearly £2 billion annually to the UK economy.

Airbus has two sites in the UK located at Filton, near Bristol, and Broughton, in North Wales. Together, these sites comprise the company's global "Centre of Excellence – Wing and Pylon" and are responsible for the design, manufacture and assembly of the wings of all Airbus aircraft, as well as landing gear and fuel systems integration.

Airbus is a wholly owned subsidiary of EADS, the European Aeronautic Defence and Space company. EADS employs around 116,000 people and has over 70 production sites around the world. In addition to Airbus, the EADS group of industries includes Eurocopter, the world's largest helicopter supplier, Cassidian, a worldwide leader in security systems, who are based in Newport, and EADS Astrium, the European leader in space programmes from Ariane to Galileo. Airbus and Cassidian both hold Welsh Anchor Company status.

- 1. Airbus has its main wing manufacturing site in the north east of Wales at the Broughton site in Flintshire. The following submission may reference the programmes, issues and processes currently being used by Airbus in the UK but will concentrate in the main on the programmes available at Airbus in Broughton.
- 2. The Broughton Site has approximately 6,600 employees, of whom around 60% are domiciles in Wales. Airbus has 381 people currently undertaking apprenticeships in the UK, 349 being based in Broughton. We also have a significant number of people working on degree and masters programmes.
- 3. The following is a breakdown of our current programmes at Broughton.
  - a. 144 existing employee apprentices following a mixture of Foundation Apprenticeships and level 3 Apprenticeships. These apprenticeships are integral to the development of our existing workforce in relation to up-skilling, re-skilling or for personal development and recognition of current skills.
  - b. 205 new entry apprentices follow a range of different programmes level 3 craft / level 4/5 Higher and the new level 6 Undergraduate apprenticeships. The Apprenticeships are aligned to different occupational areas dependent on the resource requirement of the site. A further 85 new entry apprentices are planned for September 2012
- 4. The new "Undergraduate" apprenticeship has been developed to support our manufacturing, engineering, design, quality and programme planning functions. It includes a PEO (Performing Engineering Operations) level 2 qualification as part of the new extended diploma developed by sector skills council for Science, Engineering and Manufacturing Technologies

(SEMTA). The apprentices complete a Foundation Degree in year 1 and 2, before undertaking the full BEng with Hons as a final academic outcome in year 3. Airbus is also working with the Royal Aeronautical Society and the Institute of Mechanical Engineers to enable apprentices to work through the UK Spec to Incorporated Engineer status. The apprentices will still complete the NVQ level 4 Engineering Leadership as well as Essential Skills Wales or Functional Skills.

- 5. Airbus Broughton uses two strategic partners / providers for all apprentice programmes; Deeside College provides Further Education and Work Based Learning and Glyndŵr University is responsible for Higher Education. The DfES of the Welsh Government support the delivery through funding for elements of these programmes.
- 6. Airbus sits on a number of UK advisory groups that discuss cross border issues. These include UK Commission for Education and Skills board for Advanced Manufacturing Higher Apprenticeships, SEMTA Sector Strategy Groups and National Occupational Standards working groups. The company also has representation on the Governing Body of Deeside College, and employs a visiting professor to Glyndŵr University.

#### Written Evidence

The following is an attempt to answer the key questions set out in the terms of reference and give a general view of Advanced Manufacturing / Engineering apprenticeship provision in Wales.

## 1. Is the current apprenticeship system providing effective support to the Welsh economy?

Airbus believes that the current apprenticeship system does provide effective support to the Welsh economy in most areas of Advanced Manufacturing. The challenge is to ensure that **all** the important economically valued sectors recognise the value of apprenticeships.

If Wales and its employers want to be competitive, we believe we need to ensure we are at the cutting edge of technology and to do this we need to invest in our employees' skills and develop our workforce. We need a Strategic Workforce Development Plan that will provide us with flexible and responsive employees that have the correct skills in place to meet the demanding time frame of these emerging technologies.

Airbus, along with many other organisations recognises that the lack of appropriate skills poses a significant risk to our business. The skill requirements brought about by changes in technology will be the key to the future economy in Advanced Manufacturing in Wales. Apprentices must be flexible and be in a position to react and respond to these changes when required.

## 2. Is the current apprenticeship system meeting the current and future skills needs of employers in Wales? If not, what needs to be improved?

Airbus has developed its own Skills Strategy, to provide a structured framework for investing in the skills of our workforce. This includes developing programmes for composite assembly, lean awareness and higher level engineering solutions, and Airbus works with many partners to achieve this.

There needs to be significant growth in the "higher end" of apprenticeships. Now that Airbus has developed the Undergraduate apprenticeship, it is better able to meet the skills need of the engineering functions in the future.

The strategy has at its centre the apprenticeship model; although this is seen by some as being expensive. We feel that, providing there is government support for the delivery part of the programme, we can manage the remaining considerable employment and non framework costs of the apprenticeship.

## 3. With increased priority on apprenticeships for 16-24 year olds, are apprenticeships an attractive option for young people?

Airbus believes that good apprenticeships are still recognised and regarded by many young people to be an excellent option and a starting point for their future career. It is important to have robust programmes that have clear nationally recognised qualifications and outcomes with excellent opportunities to progress.

The expectation by the apprentice, employers, providers and government should be that 100% of the framework should be completed in order to achieve the final certificate of apprenticeship.

Apprentices should have employed status and although it is not possible to guarantee a job at the end there should however under normal circumstances be a core position within the organisation at the end of the programme. Airbus Undergraduate apprentices earn £13,500 in their first year, £15,500 in their second year and £18,600 in their final year.

Recruitment of school leavers for the craft apprenticeship is a challenge for the Advance Materials and Manufacturing sector as the entry requirements are the same as most school 6<sup>th</sup> forms (5 GCSE at Grade C or above). Students and parents are influenced greatly by teachers and those schools with a sixth form.

It is our opinion that some teachers do not fully understand how in depth and challenging apprenticeships can be. Sometimes they view apprenticeships as a second best option compared with HE and as such could influence the learner to take A levels rather than apply for apprenticeships.

We have found that many of our apprentices have gone on to sixth form and have become disillusioned and then applied for our apprenticeship. This has resulted in only 10% of our intake being made up of direct school leavers whereas 60% are two or three years after they have left school.

We have developed the Undergraduate apprenticeship which is making some real challenges to the assumptions some people have made in the past. It gives apprentices vocational qualifications, practical experience as well as a full BEng with Hons at the end of the 3 year apprenticeship. Additionally the appeal of emerging with a "debt free" degree is ever greater with the rise of university tuition fees.

Another way to increase the numbers of young people applying for apprenticeships would be to ensure that funding is outcome related for 6<sup>th</sup> form students as it is for apprenticeships. Although this would not change the preconceived attitude of teachers it would ensure they encouraged only appropriate learners with a real desire to study A levels to go down an academic route instead of playing a numbers game.

The profile of an Airbus new entry apprentice is still predominantly white, male, and approximately 19 years of age, however we are working hard to change this and have set targets to our recruitment team to recruit 25% females for our future programmes. Although this is still aspirational, we are confident we are making significant inroads and will reach the target in a relatively short timeframe.

It is also essential to have a very clear progression route that enables apprentices to start wherever is appropriate to their academic / vocational level, with entry and exit points from level 2 (Foundation) to level 6 (BEng). This allows apprentices to transfer to the Higher Apprenticeships from craft programmes or to join from sixth form or FE colleges with A levels.

We believe that Airbus is seen by young people, parents and other key influencers to be offering excellent apprenticeships and where appropriate a real alternative to University. The challenge is to ensure that other organisations across all sectors are seen to be offering the same high quality programmes.

It is also important that apprenticeships are seen by employers to be meeting their internal business requirements, and that being able to develop a highly educated, vocationally competent, skilled workforce who are able to carry out a meaningful role within their business is more desirable than buying the skills in.

Airbus has created a critical mass of apprentices which not only benefits its own business but provides opportunities for companies such as Hawker Beechcraft, Apple Aviation, Hyde Energy and Thomas Cook to "piggyback" on existing course provision.

## 4. Do the systems for establishing Apprenticeship Standards and Frameworks and recruiting apprentices work effectively?

As demonstrated in the following points, establishing Apprenticeship standards and frameworks is particularly complex, but it is also extremely important and has a significant influence on how apprenticeships operate. There are added complications when providing apprenticeships across England and Wales, which are explained below.

## Impact of the SASE/W on Advanced Manufacturing and Engineering Frameworks.

In previous Engineering Apprenticeship Frameworks under the Blueprint for Apprenticeships, employers were able to specify the NVQ Level 2 PEO (Performing Engineering Operations) plus the outcome NVQ Level 3 as separate but mandatory components of the Level 3 Apprenticeship Framework.

When the new legislation was introduced in March 2011 the SASE (Specification for Apprenticeship Standards England) and SASW (Specification for Apprenticeship Standards Wales) documents were published along with the development of the AFO (Apprenticeship Frameworks Online) system, and this was no longer possible.

The AFO does not have provision to include two occupational competence qualifications within one framework and also includes the the following statement in the guidance section. "A competency qualification cannot be used in more than one framework as this will be considered a duplicate framework and will not be issued by the Issuing Authority".

Employers did consider using the Additional Employers Requirements Section but the AFO also states. these cannot be made mandatory and will therefore not be a condition for the issue of an apprenticeship completion certificate.

In order to meet employer requirements and to have consistency across the UK, the SSC developed 15 new Level 3 NVQ Extended Diplomas for the QCF (Qualification and Credit Framework) incorporating the technical units of the PEO .

From an Airbus perspective it was important to have a full PEO to give the broad based engineering principles within a standardised apprenticeship programme and for all our craft apprentices to follow one framework..

The SASE/W does not allow us to retain the full PEO level 2 within the (Advanced) Apprenticeship framework as the main aim of the framework is at level 3.

Our solution to achieve a standardised approach for our craft apprentices and retain the full PEO across both sites is that from 2011 intake we have introduced two separate frameworks for our Craft Apprenticeships. One for the foundation / intermediate stage at level 2 that includes the PEO during the first year, and one for the advanced apprenticeship stage at level 3 during the second and third year.

There are subtle differences between the SASE and SASW, England's response to the new specification is very prescriptive with significant constraints placed within it, Wales has had a far more pragmatic approach and seems to accept that the specification needs to allow employers to work with the SSC to develop the framework to meet their need.

We have had discussions with DfES and the SSC where we developed an employer option that will in the future enable us to have more flexibility.

#### Size, Complexity and Bureaucracy of the new SASE/W Frameworks

The previous blueprint system specified two lists of qualifications, the competence qualifications (NVQs) and the knowledge qualifications for each framework. Employers were at liberty to use any combination of competence/knowledge qualification from the two lists and did not have to clarify which specific combination this was. The SASE/W now requires us to specify each and every combination. This can and has lead to very large frameworks with a consequential overloading of the Apprenticeship Frameworks Online system, adding confusion and unnecessary bureaucracy to an already complex process.

The changes have also required employers to be far more specific about the academic or underpinning qualifications used when a framework is being developed. The legislation requires us to specify the knowledge qualification in detail by: title, level, awarding organisation, ref No, GLH and credit value. This is entered into the Apprenticeship Frameworks Online template against each competence qualification. Only these specified combinations are allowed. For a broad and diverse Sector such as Engineering that has 15 pathways in the L3 Framework this had a significant impact on the size and complexity of the published document. (the Level 3 Engineering Apprenticeship for Wales is a 265 page document) ,especially with the necessity to duplicate a number of sections in each pathway plus the need to include a number of minimum and maximum GLH and Credit calculations

There is a significant issue when frameworks are being developed for Higher Apprenticeships. Specifically when Foundation Degrees and BEng/BSc Degrees are being used, the Issuing Authority will only issue the framework that includes the HE University qualifications specified by employers including the full title, reference number and UCAS points . There is a need to be specific about the qualifications used, it is no longer acceptable for instance just refer to a foundation degree or an honours degree approved by the SSC.

This results in the frameworks being very restrictive, inflexible and not as responsive as employers require. For example if an employer decides they want to take on some Higher Apprentices they would have to ensure the FD or Degree they want to use with the University they have identified is in the framework. If it isn't they would then need to go back to the SSC and ask them to have it included in the framework. The SSC would then need the framework to be amended and resubmitted to the issuing authority and only with its approval would they be able to use it, this could take a number of months, especially if the SSC has recently issued the Framework.

The main sticking point is that the SSC cannot be frequently altering and re-issuing a framework to include employers/awarding organisation/training providers requested qualifications because this would end up with chaos where nobody knew which version of framework or funding tariff they were on.

The Engineering SSC and Issuing Authority have already re issued their Frameworks on a number of occasions to include more options requested by employers. They have agreed that once the new system settles down they would re-issue frameworks every six months depending on demand.

However, some SSCs have indicated that Frameworks would only be reviewed once a year or even longer

#### Recommendations

Employers would welcome more flexibility into apprentice frameworks in the future and the following recommendations are put forward for the Welsh Government to consider.

At our Broughton site we have a growing number of existing employees following apprenticeships, a significant number of them being over 23 years of age, who have been given a second chance to enhance their skills base. This would not be possible without the **All Age Apprenticeship** that the Welsh Government supports through the delivery costs of the programme. It is essential that this be continued so as to maintain the competitiveness of Welsh Advanced Manufacturing companies. Whether it is at a foundation level, intermediate level or the higher level we and other organisations are up-skilling our workforce, using the apprenticeship model as the vehicle. This includes nationally recognised qualifications that enhance the knowledge and vocational expertise of individuals.

The introduction of new technology means that the skills profile for many organisations is changing. We have developed our own Skills Strategy, where we will invest in the skills of our workforce. This includes developing programmes for composite assembly and lean awareness. One of the key areas in which we believe we will be seeing significant change is the increase of engineers. This is a prime driver behind Airbus' decision to develop the Undergraduate apprenticeship. We would like to see the Welsh Government market, support and introduce the level 6 apprenticeship framework to a wider audience and where appropriate allocate a funding model to support.

We consider Essential Skills Wales(ESW) to be necessary for all apprenticeships up to level 3 but that there should be a concession given for the ESW application of number for those apprentices who have studied Maths and Physics at A level and who have achieved a high grade. We would like the Welsh Government to review the essential skills for higher apprenticeships and perhaps consideration could be given to apprentices who have achieved a level 3 in the basic skills assessment to be given an essential skills proxy.

Despite very tight timescales, Airbus have been able to articulate to our Sector Skills Council (Semta) our framework specifications and qualification combinations that are required to meet our business demand. However, we believe that the Welsh Government could introduce improvements to ensure that Apprenticeship Framework documents are streamlined and made easier to interpret. Most importantly employers need to be able to amend the frameworks in order to meet changes in existing job profiles, to ensure we have access to qualifications that are fit for purpose and meet changes in advanced manufacturing technologies.

Before the introduction of the SASE/W the SSC would approve any relevant academic / underpinning qualifications requested by employers for each framework. This was far more customer / employer focused and allowed employers to have discussions with the SSC who were the quality arbiter of the framework. In our view this was a far less bureaucratic system and helped employers to respond to their business need quickly and efficiently and we would recommend that the Welsh Government should consider returning to a similar process again.

At Airbus apprentices are viewed as the lifeblood of the organisation and pivotal to the success of our company. It is essential for us to work in partnership with education providers and government in order to succeed. We are encouraged by the support received from the Welsh Government in regard to apprenticeships, and hope that the recommendations in this document will help to enhance cooperation in further improving the quality of apprenticeships and the ease of implementing apprenticeship schemes in Wales.

## Agenda Item 4

Enterprise and Business Committee 16<sup>th</sup> May 2012

Allan Williams
Corporate Training & Development manager
Vale of Glamorgan Council

The Vale of Glamorgan Council employs approximately 12 Foundation Modern Apprentices (FMA) each year in Business Administration but this year intends to employ 20 FMA. In addition it employs 2 craft Apprentices each year.

In addition to apprenticeships the Council provides various "work experience" opportunities and support for those looking for work as noted in the conclusion of a report written in December 2011

#### Conclusion

Over the last 12 months the Council has helped or is helping just under 2,000 people to find work by providing a wide range of opportunities including paid apprenticeships and professional traineeships, paid and unpaid work experience placements (with training) and vocational training.

The majority of participants are under 25 years old. The support on offer by the Council ranges from:

- √ 3 year Craft Apprenticeships
- √ 65 week Administration Apprenticeships
- √ 1 3 year Professional Traineeships
- √ 52 week Flexible New Deal
- √ 6 month Future Job Fund Wales
- √ 12 week Work Programme
- ✓ Advice and support on CV writing and job search which may take a few hours.
- √ 12 months of Vocational Training

Programme	Nos of people helped (last 12 months)
Apprenticeships (FMA & Craft)	24
Work Placements	113
Professional Trainees	15
Future Job Fund (Wales)	77
Flexible New Deal	736 (March 2010 – August 2011)
Welfare To Work Programme	448 (June 2011 – present)

Work Club (Holm View)	120 (June 2011 – present)
Job Shop Extra	167 (2011)
Sport that Works	17
Vocational Training	207
Total	1,925

#### Terms of reference

The main terms of reference for the inquiry are:

• is the current apprenticeship system providing effective support to the Welsh economy?

#### In parts

• is the current apprenticeship system meeting the current and future skills needs of employers in Wales? If not, what needs to be improved?

In part – more is needed along the module of a craft apprenticeship. A more demanding and respected training programme is required

 with increased priority on apprenticeships for 16-24 year olds, are apprenticeships an attractive option for young people?

My experience is that this age group is desperate and that apprenticeships are attractive

 do the systems for establishing Apprenticeship Standards and Frameworks and recruiting apprentices work effectively?

Not sure of first part, yes to second part

#### **Key issues**

Issues that the Committee may wish to consider as part of these terms of reference include:

 how effective is employer involvement in the apprenticeship system in Wales? Has this changed as a result of the current economic circumstances? Are employers able to find sufficient numbers of young people with the skills and aptitudes that they require? Do relationships between employers and training providers work effectively? Are apprenticeships still limited to certain sectors?

#### My experience has been good

• do social enterprises make effective use of apprentices?

# When they know about them and its not too complex or time consuming - yes

 has the number of apprentices employed by local authorities, and the public sector generally, increased or decreased? Should the public sector be recruiting more apprentices?

# The Vale of Glamorgan Council has decided to increase apprenticeship opportunities

• the Welsh Government is encouraging Community Benefits clauses in public sector contracts which can be used to promote the employment of trainees and apprenticeships. Is this an effective mechanism for increasing the numbers of apprentices?

#### Yes, good move

• what is the average profile of an apprentice, for example age, gender, employment sector? Is this profile changing and, if yes, what are the reasons for this? The National Training Federation for Wales reports that the average age for an apprentice is 26. What are the reasons for this? Are apprenticeships generally successful from the perspective of the apprentice? Have apprenticeship completion rates changed in recent years? In practice, are apprentices guaranteed a job at the end of the apprenticeship?

Average age of apprentices in Vale of Glamorgan Council is 18 years.

Completion rates have improved dramatically.

No guarantee of a job but most of the ones who complete the programme successfully get some work – usually a temporary contract initially

 do Careers Wales and Jobcentre Plus provide effective support for people wanting to find apprenticeships? Does the new Apprenticeship Matching Service, run by Careers Wales, work effectively?

#### In my experience - yes

• why do young people decide to be apprentices? What factors influence their decision?

My observation is that most would prefer a job but see the apprenticeship scheme as a way into work – getting experience and a qualification

 are apprenticeships an attractive option for young people of all abilities or are apprenticeships seen as a second best option compared with higher education? Are attitudes changing and if yes, what are the reasons for this?

Some youngster definitely choose an apprenticeship option over A levels or even university.

 are apprenticeships fully understood by those who have most influence on the choices of young people for example parents/carers, careers teachers in schools, teachers generally? Is there too much complexity and choice of programme?

#### Don't know.

how effective is Welsh Government policy on apprenticeships?
 How does its policy of apprenticeships fit into its wider economic and skills strategies?

Simplicity, a clear standard, rigorous qualifications that employers and participants can trust and continuity are the ideal to aim for

 education and training, including apprenticeships are devolved matters, but employment law is not. Do young people have sufficient rights and access to apprenticeship training? If not, how could the situation be improved?

If anything they have too many rights – this puts genuine employers off participating in schemes

• are the Sector Skills Councils (SSCs) promoting and supporting apprenticeships effectively? How does the capacity of SSCs affect their performance in this area?

#### No SSC for Councils

 is European funding being used to support apprenticeships effectively?

#### No – too bias to Objective One type areas

• are there examples of good practice apprenticeship systems in other countries that Wales can learn from?

Don't know

#### **Evidence to National Assembly Enterprise and Business Committee**

#### **Presented by Youth Cymru**

## May 16<sup>th</sup> 2012

#### The Organisation

Youth Cymru, formally the Welsh Association of Youth Clubs, is a voluntary organisation with over seventy five years of experience in supporting youth work and promoting the well being of young people in Wales. Based in Upper Boat we work with youth groups, youth clubs and young people across Wales. We provided training for youth workers and related professionals; accredit young people's learning through youth work with the Youth Achievement Awards Scheme; run events that bring young people from across Wales together; and work to promote understanding of the importance and contribution of youth work. Among our key aims is the promotion of a positive image of young people, and of young people's ability to participate in decision making. We were therefore very pleased to be asked to gather some evidence from young people to contribute to the Committee's Inquiry into Apprenticeships.

#### The Method

Focus groups and one to one discussions were held with young people in five different settings; the YMCA in central Cardiff, the Carmarthenshire Youth Action (CYCA) youth club in Llanelli, the Engage Project in Neath Port Talbot, the Garth Youth and Community Project (the Garth) in Haverfordwest and Cardiff and the Vale College, Central Cardiff campus. Time unfortunately did not permit visits to any of our partner organisations in the north. Two of the settings are open access youth clubs (CYCA and the Garth) catering for young people from a range of backgrounds, but both are in Communities First wards. The YMCA and Engage projects work with young people at risk of finding themselves not in education, training or employment. The Cardiff and the Vale College students were on access to vocational education and hairdressing access and Level 1 courses.

The young people consulted ranged in age from eleven to twenty four, with the majority being in the fifteen to eighteen age bracket. Some discussions took place in the presence of youth workers or other staff members, some with young people alone. Some staff also expressed their own views, and these have been included in the evidence, but where views were expressed by staff members rather than young people this is made clear.

The process began with a general discussion about young people's experiences in education and training, and of careers advice and guidance. This provided them with the opportunity to mention apprenticeship as an option spontaneously. When this did not occur they were then prompted by direct questions. Young people were enabled to lead the discussions to ensure as far as possible that the view expressed were genuinely their own.

Clearly, the evidence obtained in this way is by its very nature anecdotal. That said, given some of the common themes that emerged we do believe that the evidence will be of use to the Committee.

#### The Findings

We have grouped the findings into some broad themes that reflect some of the key issues identified in the Committee's call for evidence.

#### 1) Awareness

Young people's awareness of apprenticeship as an option varies widely. None of the young people under fifteen spontaneously mentioned apprenticeship as an option for them in future, while most mentioned college, staying on at school, and going straight out to work. Most also mentioned university, but mainly as an option for other young people not themselves. Most had only heard the word apprentice in the context of the television programme.

With older young people the picture is more mixed, with gender and geographical variations. With the exception of the hairdressing students for all of whom apprenticeship was a choice of which they were aware, young men were more likely to have been offered apprenticeship as a possible choice than young women. Again with the exception of the hairdressing students they were also more likely to know of friends and family members who had done or were doing apprenticeships.

All the young men in the Engage project had been offered the opportunity to consider apprenticeship by careers guidance, with the exception of those whose who's additional learning needs would have presented too much of a barrier. In contrast, those young people in Haverfordwest who had considered or were considering apprenticeship had been made aware of the option by family and friends, and in one case a youth worker, rather than by the formal system.

"If you're staying on at school or going to college then to Uni it's fine. Otherwise they didn't want to know. It's up to you to sort yourself out." (Young man who had left school at 16, and now at 21 is managing a shop)

The picture in Cardiff is more mixed. Many of the students in the College were very appreciative of the support they had received from Careers Wales, either through school or outside, while others felt the advice they'd received was too inflexible. Young people at the YMCA felt they had received more support from that project than they had from the official system, though it should be said that the Project does work closely with Careers Wales and other agencies.

Overall, it seems there would be value in introducing the idea of apprenticeships as an option earlier on in young people's educational careers so that, if they favour that option they can do more to make the right choices to prepare themselves. There is a need to address the gender disparity – though not among hairdressing students – in terms of awareness. Consideration needs to be given to ensuring that apprenticeship as an option is more consistently raised with young people in communities across Wales, though it should be borne in mind that many of the young people who took part in this consultation had not had either the most consistent or happiest experiences of school and it may be that there were opportunities for advice and guidance available to them that they did not access.

## 2) Attitudes

Attitude to apprenticeships amongst those aware of them again varied widely. There is some confusion about what the term actually means. Some young people were clear that an apprenticeship involved structured learning, with accreditation leading to qualifications. Others viewed apprenticeship as a much more informal learning on the job process. These differences of understanding may be reflected in the way in which young people viewed apprenticeship. Some attitudes were very negative.

"It's a rip off. They make you work really hard for rubbish money. Then when your apprenticeship's finishes they let you go and take on another apprentice. What's the point?" (Young woman who had family members who had experienced this type of 'apprenticeship')

She was by no means the only young person who expressed that view, and it was a view shared by some members of staff, to an extent.

Other young people thought it was simply not for them, either because they did not have the sorts of skills an employer looking to take on an apprentice would want, or because of preconceptions about what kind of work might offer apprenticeship as a way in.

"It's all about plumbing and building and stuff, isn't it? Not the kind of work I'm interested in at all." (Young woman, 18, currently looking for work)

"Don't you have to have loads of GCSEs? I missed a lot of school, so they wouldn't want me, would they?" (Young man 16, not in education training or employment)

For other young people apprenticeship was a desired option, but not easy to access. Over half the hairdressing students in Cardiff said that they would have preferred an apprenticeship to learning in college, because they wanted to be earning and learning, because they felt it would suit their learning styles better, and because they believed it was more likely to lead to a job.

"Every salon has its own way of doing things. Whatever you learn in College you have to learn again to do it their way. But there aren't many chances (for an apprenticeship) out there. And when they are they go to someone who knows someone, someone's daughter or something." (Young woman, 17, studying at college but actively looking for an apprenticeship)

One young man had an apprenticeship lined up for when he left school this summer. This had been organised through family connections. Two others had had apprenticeships offered to them. One was considering the option; the other had had to refuse because of transport issues. One young woman was currently doing an apprenticeship, but was unsure if she would stick at it. One young man had begun an apprenticeship but not completed it. This was because he found that he could not cope with the work, which was very physical, not because the apprenticeship system didn't work for him. He expressed a desire to find an apprenticeship in the fields he has now chosen — retail or catering - as he enjoyed the approach of learning through doing, but believed that apprenticeship was not an option in those fields.

It may prove difficult to shift some of the negative attitudes towards apprenticeship while some employers continue to behave in the ways some young people described in this consultation. Certainly any public financial support for apprenticeship should be predicated as far as possible on the employer providing a job at the end, and on the

apprentice having their learning accredited so it is portable. Raising awareness of apprenticeship as an option with young people earlier would help dispel some of the more inaccurate preconceptions. The development and advertisement of a wider range of apprenticeship options, including in the public sector like the national youth work apprenticeship scheme, would help make apprenticeship a viable option for young people with a range of skills and aptitudes.

#### 3) Barriers

Young people identified a set of barriers that they felt prevented or made it difficult for them to take up apprenticeships. Staff working with them provided additional information.

For some young people transport was an issue. One young man had had to refuse the offer of an apprenticeship when he was sixteen because there was no adequate public transport. Others reported taking college courses instead of apprenticeships because a bus was provided for college, but there was no transport provision to help them get to apprenticeship placements. Transport was more often mentioned in Haverfordwest and Neath Port Talbot than it was in Llanelli or Cardiff, but it was mentioned in Cardiff as a barrier when apprenticeship options involved shift work that didn't fit with public transport provision, our where opportunities were offered in parts of the city not served by public transport links.

Being ready and able to take up an apprenticeship was indentified by some young people.

"You need to be tidy, organised. Stuff like learning to turn up on time. I just don't think I'm up for that." (Young woman 16, in college)

Staff reported that some of the funding streams to which their projects had to deliver, including European funding, were set up in such a way that it was hard to spend enough time with young people working on soft skills, like attitudes and things as basic as personal hygiene. They also felt that the pressure of delivering accredited qualifications for young people often meant that the staff could not spend enough time with them to really develop their literacy and numeracy skills, which were often very poor.

One young person, who was studying for A Levels, felt he had been pushed down an academic route at fourteen, when he would have preferred to combine GSCEs with more practical learning. He felt that vocational options in his school were only offered to the less academically able. He was now considering the option of apprenticeship after A Levels, but felt that a broader curriculum from fourteen would have prepared him better for this choice. He felt that teachers in his school did not place the same value on vocational as on academic learning. This was an unexpected perspective, and was supported by some of the staff we spoke with. It may be worth exploring further.

Some young people felt that information and access to opportunities for apprenticeships was a real problem. They believed that opportunities would tend to go to those with family or personal connections and were unlikely to be advertised. Indeed some young people who were seriously considering taking up or were planning to take up apprenticeship options had gained access to those opportunities through just such informal routes. Some staff supporting young people said that they also found it hard to get access to information about apprenticeships, saying that they felt that some in the careers service did not see apprenticeship as an option for "our" young people, meaning young people at risk of finding themselves not in education training or employment. On the other hand, some young people, especially those in the Cardiff and the Vale College, were very positive about the information about opportunities they received through Careers Wales.

Finance was also identified as a barrier. Some of the young people just wanted what they described as "a real job". These tended to be the same young people who saw apprenticeship as exploitative. One young woman said it was hard to stick to her apprenticeship when her friends were earning higher wages. She acknowledged that lots of them were in what she called "dead end jobs" but did find it hard to keep her longer term goals in mind when they were able to afford things she could not. Several young people reported feeling they had to choose college instead of apprenticeships that they would have preferred because of family finances. Parents continue to receive child benefit for young people aged sixteen to eighteen if they are studying in college, in addition to the young person receiving Educational Maintenance Allowance (EMA). Child benefit stops if a young person is doing an apprenticeship, as they are deemed to be working.

"On an apprenticeship you don't end up taking home more than EMA, not once you've paid for the bus and food and everything. And your Mam looses her money. It (apprenticeship) is just not a real option for kids from poor families, if you ask me. It's not really for the working class." (Young graduate, volunteering to work with young people, unable to find a job using her degree)

Many young people agreed with this perspective, and staff cited specific examples where young people had felt forced to choose the college route, even when it was not the best option for them.

The Welsh Government should give consideration as to how the transport issues could be addressed. Subsidising travel for young people undertaking apprenticeships might be one option, if free transport for young people as advocated by many is unaffordable. In areas where public transport isn't available, or doesn't work because of shift work, creative solutions may be needed. We have heard, for example, of some local authorities in England buying scooters for young people, or providing low cost loans to enable young people to buy them.

Consideration needs to be given as to the effectiveness of the funding provided to projects that work with young people, particularly those identified as being at risk of finding themselves not in training, education or employment. Is the need to get young people through accredited qualifications within given time frames getting in the way of providing the kind of support they real need to get themselves job, and therefore, apprenticeship, ready? The evidence we gathered suggests that this is so, but of course is anecdotal. There is also a question as to how schools are preparing young people for practical learning opportunities like apprenticeships, how soon the possibility of this option is raised with young people, and whether schools really see vocational learning as equal to academic leaning for all young people.

It would appear that more work is needed to ensure that young people are aware of the apprenticeship options that might be available to them, and that government, local and national, needs to work closely with employers to develop and advertise a wider range of opportunities for apprenticeships. Of course it will never be possible to prevent altogether the offering of opportunities being offered to those with connections, but advertising should be actively encouraged, and any public financial support should depend on the opportunities being advertised.

The financial barriers are difficult to address. The need to tackle bad employers treating 'apprentices' unfairly has already been mentioned. The benefits trap issue is not of course one that the Welsh Government can address directly, but it may be that some extension of EMA could be considered to help families that find themselves worse off if a young person chooses an apprenticeship rather than college.

#### Conclusion

Youth Cymru is grateful to the Committee for the opportunity to present young people's views on this important issue. Many young people asked us to pass on their thanks.

"It's good to be asked about this. People should find out what we think. Will they listen, though?" (Young man, 17, in college though he'd rather be 'learning by doing')

We felt able to reassure him that the Committee would listen, though of course stressing that doesn't mean that the Committee would necessarily agree!

Young people, and staff, also said that they would be happy to speak to Committee members or Committee staff directly if that was felt to be useful. Youth Cymru would be happy to facilitate such discussions if the Committee were to wish to do so, but we did explain to young people that time constraints might mean that was not possible.

Helen Mary Jones Chief Executive

## Agenda Item 6

## **Enterprise and Business Committee**

Meeting Venue: Committee Room 3 - Senedd Meeting date: Wednesday, 2 May 2012 09:30 - 11:05 Meeting time:

Cvnulliad Cenedlaethol Cymru National Assembly for

Wales

This meeting can be viewed on Senedd TV at:

http://www.senedd.tv/archiveplayer.jsf?v=en\_400003\_02\_05\_2012&t=0&l=en



#### Concise Minutes:

Nick Ramsay (Chair) **Assembly Members:** 

**Byron Davies Keith Davies** Julie James **Alun Ffred Jones Eluned Parrott David Rees Ken Skates Joyce Watson** 

Witnesses:

Jeff Cuthbert, Deputy Minister for Skills Suzanne Chisholm, Head of Supporting Young People Teresa Holdsworth, Teresa Holdsworth, Deputy Director

Youth Engagement and Employment Division

Committee Staff:

Siân Phipps (Clerk) **Kayleigh Driscoll (Deputy Clerk)** Anne Thomas (Researcher)

#### 1. Introductions, apologies and substitutions

1.1 The Chair welcomed everyone to the Committee. Apologies were received from Dafydd Elis-Thomas; there was no substitution.

### 2. Scrutiny session with the Deputy Minister for Skills - Update on the Young People Not in Education, Employment or Training Report

2.1 The Chair welcomed Jeff Cuthbert AM, Deputy Minister for Skills, Welsh Government, Teresa Holdsworth - Deputy Director Youth Engagement and Employment Division, Welsh Government, and Suzanne Chisholm - Head of Supporting Young

People to the Committee, Welsh Government. Members questioned the Deputy Minister on the progress made since the Enterprise and Learning Committee published its report on Young People not in Education, Employment or Training in October 2010.

The Deputy Minister for Skills agreed to supply the Committee with more detailed information and figures on how many schemes are actively being pursued to address Young People Not in Education, Employment or Training.

# 3. Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business:

- 3.1 The Chair moved a motion under Standing Order 17.42 to resolve to exclude the public for the remainder of the meeting.
- 3.2 The Committee agreed the motion, and moved into private session.

# 4. Influencing the Modernisation of EU Procurement Policy - Discussion of Draft Report

4.1 The committee agreed the report subject to a few minor amendments.

#### **TRANSCRIPT**

View the meeting transcript.