

Cynulliad Cenedlaethol Cymru / National Assembly for Wales  
Pwyllgor yr Economi, Seilwaith a Sgiliau/ Economy, Infrastructure and Skills  
Committee  
Yr Ardoll Brentisiaethau yng Nghymru - Gwaith dilynol / The apprenticeship  
levy in Wales – follow-up  
Ymateb gan Consortiwm B-wbl / Evidence from B-wbl consortium

## **B-wbl Consortium response to the NAW inquiry into the Apprenticeship Levy**

The following gives the view of the B-wbl consortium based at Pembrokeshire College. The consortium consists of nine training providers who collaborate to provide training across Wales. The consortium delivers across 23 Apprenticeship sectors and Traineeship programmes in 17 local authorities in Wales. Led by Pembrokeshire College the consortium includes Bridgend College (including The People Business Wales), Coleg Ceredigion, Coleg Gwent, Coleg Sir Gar, Cymru Care Training, PRP Training, The College Merthyr Tydfil and Tydfil Training Consortium. It also has sub-contract provision to Hereford and Ludlow College and Gower College Swansea.

### ***The impact on employers in Wales following the introduction of the Levy***

To date it is not that apparent what the full impact of the levy is on employers, because the way apprenticeships are being accessed, funded and provided has not changed. Employers have just viewed the levy as an additional Westminster tax. This has made discussions with employers very difficult for providers. Prior to the introduction of the levy, it was estimated that around 700 employers in Wales would pay it. Currently the B-wbl consortium deliver to over 200 levy-paying employers. It was anticipated that the levy would increase the number of new apprentices aged between 16-19 however it appears that employers are using the levy to upskill existing employees rather than recruit new employees. Prior to the levy being introduced many of B-wbl employers had apprentices. Therefore, it is difficult to accurately state how many apprenticeships have been created by the introduction of the levy and how many already engaged with apprenticeship training.

The number of 16-19 year old apprentices started in 2015/16 as a percentage of the overall Consortium recruitment was 29% of the overall starts. This percentage has remained static to period 9 of 2017/18.

It is difficult to compare the overall starts because of the different contract lengths in 2015/16 (16-month period). Adjusting data to a 12-month period indicates that there has been a 30% increase in the overall number of starts and this may be attributed to the general awareness raising of apprentices rather than specifically to the introduction of the Levy.

Large organisations such as Local authorities and the NHS Trusts have been proactive in finding out how they might take advantage of apprenticeships as they are levy paying. However discussions with them have focused on how they might upskill existing staff rather than recruit new ones. They have acknowledged that if they recruit an apprentice then there is further cost to their organisation. Another of the main barriers they have is that if they take on level 2 apprentices for example there may be no progression for them at the end of the programme. This is due to staff turnover in higher grade jobs being low. The NHS Trusts have

taken positive action in light of the levy and have been active in seeking apprenticeships in a wide range of routes.

***Any concerns to date in respect the impact or implementation of the Levy;***

National companies do not always want to work with Welsh providers which then creates an influx of English providers who are in some instances delivering apprenticeships without funding. Another cross border issue focuses on employers that straddle the border. Due to the way the levy is structured, many companies in England want to implement the same Apprenticeship structure across border. With trailblazer apprenticeships prevalent in England, explaining differences to employers concerning the Welsh framework model has proved challenging.

The levy can be seen by some employers as just an additional cost and most are not recouping this cost by employing apprentices or upskilling current staff. There are instances when employers believe that the levy will cover the cost of apprentices wages. This is leading to providers having to manage the expectations of the employers

***Recommendations for the Welsh Government or others in this regards.***

- It is difficult to make recommendations about something that is not devolved.
- A specific marketing campaign could be useful to try to encourage employers who pay the levy to engage.
- We must ensure that Welsh frameworks are portable and understood as not all Welsh apprentices will remain in Wales
- A study to evaluate what can be done to help smooth the delivery of information for the 'cross border' larger companies.
- WG to assess the impact of the Levy on the start profile age categorisation of learners