



Enterprise and
Growth Scrutiny
Committee

12th November 2015

10.00 am

Item

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Public

**MINUTES OF THE ENTERPRISE AND GROWTH SCRUTINY COMMITTEE MEETING
HELD ON 22 SEPTEMBER 2015
10.00 AM - 11.44 AM**

Responsible Officer: Julie Fildes
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Present

Councillor Steve Davenport (Chairman)
Councillors Dean Carroll (Vice Chairman), Andrew Bannerman, Nicholas Bardsley,
Pauline Dee, John Hurst-Knight, Jean Jones and William Parr

32 Apologies for Absence and Substitutes

None were received.

33 Disclosable Pecuniary Interests

There were none disclosed.

34 Minutes

RESOLVED:

That the Minutes of the meeting held on 30th July 2015 be approved as a correct record and signed by the Chairman.

35 Public Question Time

There were no public questions.

36 Member Question Time

There were no questions from Members.

37 The Apprenticeship System

The Lifelong Learning and Skills Manager was welcomed to the meeting and she introduced Kevin Humphries of County Training, Steve Wain of Shrewsbury College, Mike Reed a business administration apprentice and Helen Ruffledge an employer of

apprentices. She explained that she felt that it would be useful to Members to hear from the different perspectives represented by those involved in providing and undertaking apprenticeships.

Members noted that Central Government was committed to the apprenticeship system and aimed to increase the participants to three million by 2020. To achieve this the apprenticeship framework was undergoing revision to enable greater employer influence. Trail blazer groups had been established to encourage employer involvement in the redesign. Early indications were that the new framework would be more rigorous, with end of apprenticeship assessments and a greater emphasis on improving English and maths skills and qualifications. Changes to funding methods were also expected with funding being paid to the employer not the training provider as at present. Members also noted that there was a Traineeship Programme which was a precursor to an apprenticeship. Apprentices would retain their status of employee and be eligible to receive the apprenticeship minimum wage, although employers could choose to pay a higher rate.

Members noted that funding for apprenticeships was provided by central government from both Educational Funding Agency and the Skills Funding Agency depending on the age of the apprentice. Although not all employers accessed these funds, instead choosing to run their own apprenticeship schemes. The Richards Review has recommended an Apprenticeship levy through the PAYE system which would provide a funding pot for employers, although the details of this were still to be confirmed.

The Lifelong Learning and Skills Manager reported a buoyant apprenticeship landscape in the County with County training and further education colleges providing training in addition to private training providers. She reported that apprenticeships in a wide range of economic sectors were available and providers worked well together to ensure training coverage. The network also included the Marches LEP which worked with providers to design programmes, advertise and support them. She continued that Shropshire recorded a slightly higher proportion of apprenticeships than the National average, although due to demographic changes the cohort was reducing, and employers struggled to find suitable apprentices.

In response to a Member's query she advised that schools had a statutory duty to provide careers advice to students and the majority of schools commissioned the Council's Careers Service. The Careers Service were able to work with schools to identify students who required more focused career's support. County Training and Further Education Colleges provided post 16 guidance through options evenings. In addition to this, young people could approach local providers direct or apply nationally for apprenticeships through the government matching service. She continued that County Training was now part of the Council and this arrangement was working well.

In answer to a Member's question the Manager for Lifelong Learning and Skills confirmed that all providers were supported by an Ofsted Inspector and where a provider's achievement rates fell below a certain level they were no longer able to provide the service.

Mike Reid was invited to speak about his experiences as an apprentice. He explained that he had attended Shrewsbury 6th Form College and gained A'level qualifications. He had made the decision not to continue on to university and preferred to follow a route to develop business administration skills and gain business experience. In answer to a Member's query he responded that he felt that he was gaining valuable skills and experience to underpin a career in business administration and that he felt supported in this by his employer and training provider.

Helen Ruflege informed Members that her experience as an employer of apprentices had been positive. Her organisation employed two apprentices and felt that it was an excellent way of bringing young people into her organisation. Her company saw apprenticeships as a positive way of contributing to the development of young employees and the skills developed as part of the NVQ qualification were a good foundation for later development.

Kevin Humphreys of County Training explained that County Training had been part of the Council for thirty-five years and Ofsted had graded it as good or outstanding in all areas following its last inspection. He continued that its apprentice programme had an 85% achievement rate with a significant number of apprentices employed at the end of their apprenticeship. Many former apprentices went on to study for further qualifications. He confirmed that apprenticeships were open to all age ranges.

Mr Humphreys continued that Country Training was currently advertised 57 vacancies, 7 of which were within Shropshire Council departments or schools. He reported that County Training were experiencing difficulties in attracting high calibre candidate for vacancies. He confirmed that they worked with schools but did not feel that there was a level playing field with many schools promoting A'levels as the first option for students. To counter this all school pupils and their parents were written to at home and invited to a Real Apprenticeship event which was funded by the Council. Members noted that other Councils that had put greater resources into promoting apprenticeships in schools had achieved better results.

In response to a Members question, Mr Humphreys confirmed that there was some duplication of provision between County Training and SCAT but each provider offered a range of apprenticeships to suit the employer and apprentice.

Steve Wain of Shrewsbury College gave a presentation to Members [presentation attached to signed copy of the Minutes]. Members noted that the views expressed within the presentation were the personal views of Mr Wain and not necessarily those of Shrewsbury College. He commented that in his experience parents considered apprenticeships to be a good thing for other people's children.

Members noted that the overall number of apprenticeships appeared to be in decline, Mr Wain cautioned that the government had revised the definition of an apprenticeship which may account for some of the decline. Members noted that the number of apprentices mirrored the employment trends within the industries shown on the graphs, with only the construction industry showing an increase apprenticeships. He continued that traditionally apprenticeships tended to be in industries which were low paid and required lower levels of qualifications.

Members considered a graph showing apprenticeship numbers across the Marches LEP area, with Shropshire having the highest number of apprentices. The following graph showed an analysis of apprentices by age and sex. Members noted that in 2002 the majority of apprentices were male aged 16 to 18, this has now dropped to 30% and the majority are now in the 19 to 24 age group with 9.4% more females than males. There has also been a significant increase in older apprentices. The final graph showed the declining trend for all adult learning.

Mr Wain commented that the training provided tended to be generic rather than specific to individual employers so may not necessarily match the skill needs required. He suggested that though needed to be given to the needs of the economy to ensure that training needs were being met and being provided at a high enough level. It was noted that there was a developing trend for higher degree equivalent training in some industries such as automotive with tier 3/4 training.

Members discussed the problems of small employers having to administer their own apprenticeships and the apprenticeship levy encouraging employers to take on apprentices for the wrong reasons.

38 Economic Growth Redesign Update

The Head of Business Growth and Prosperity advised that Andy Sterling and Claire Cox had been appointed to the key roles of Physical Relationship Manager and Business Relationship Manager respectively. He continued that they would report directly to him and would be involved in the recruitment of the team.

He continued that the section was going through a transition period with the existing team still in place while recruitment to the new roles was underway. Staff had been invited to apply for posts within the new team, although he stressed the importance of finding the personnel with the right skills, and would recruit more widely if required.

In answer to a Member's query, the Head of Business Growth and Prosperity confirmed that the Visitor Economy Sector was not included in the Economic Growth Section but would work closely together.

The Chair of the Student Accommodation Task and Finish Group was invited to update Members on the progress of the group. He reported that the group had received a presentation from ARUP on their findings. They had also had in-depth discussions on the implications of applying for an Article 4 Direction to remove permitted development rights from properties to give more control over the conversion of dwellings into houses of multiple occupation. A site visit to Worcester was being organised to allow Members the opportunity to see an established university community.

He continued that the Task and Finish Group had originally planned to complete its work in September but this had been extended to allow the group to fully consider all the available options. It was now anticipated that the group's final report would be completed by the beginning of December.

39 Future Work Programme for the Enterprise and Growth Scrutiny Committee

Agreed:

That Planning Enforcement be added to the Committee's work programme.

40 Date of Next Meeting

10th December 2015