



Community Planning Aberdeen

Progress Report	Project End Report:3.4 Increase the number of Modern and Graduate Apprenticeships by 5% by 2022.
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Governance Group	CPA Board – 28 June 2023

Purpose of the Report
This report presents the results of the LOIP Improvement Project Aim to Increase the number of Modern and Graduate Apprenticeships by 5% by 2022 and seeks approval to close the project.

Summary of Key Information
<p>1 BACKGROUND</p> <p>1.1 1 The Apprenticeship Family in Scotland offers three different qualifications:</p> <ul style="list-style-type: none"> • Foundation Apprenticeships – For pupils in S4, S5 and S6. They choose this qualification as part of their subject choices and get the chance to work with employers. • Modern Apprenticeships - For anyone who is 16 or above. A modern apprentice is employed and works towards a college and/or work-based qualification with a college or learning provider. • Graduate Apprenticeships – For anyone who is 16 or above. A graduate apprentice is employed and works full time while gaining an Honours or Masters degree. <p>1.2 This project focused on Modern and Graduate apprentices only, as they are specifically for candidates in employment.</p> <p>1.3 Modern and Graduate Apprenticeships combine academic and vocational qualifications with on-the-job experience. This allows apprentices to work, learn and earn at the same time while being supported by their employer and a training provider. This immediately removes some of the barriers to learning that individuals face in their lives.</p> <p>1.4 There are over 80 Modern Apprenticeship frameworks (from healthcare and financial services to construction and IT) and 11 Graduate Apprenticeship frameworks (from Accounting and Business Management to Engineering and Data Science). These have been developed by sector skills councils, in consultation with industry.</p>

- 1.5 Apprentices (both Modern and Graduate) build valuable work experience while gaining an accredited qualification which is recognised by industry.
- 1.6 Modern Apprenticeships provide an alternative route into the world of work, equipping people and employers with the skills they need to succeed. Significant effort has gone into ensuring that Modern and Graduate Apprenticeships are accessible to all candidates regardless of their individual characteristics. Training providers are monitored in terms of their equality performance and this helps to ensure a secure future for all candidates.
- 1.7 Baseline data indicated that there are 815 Modern Apprentices in Aberdeen City who started their journey in 2019/20. An increase of 9% on 2018/19. In the same period, there are 56 Graduate Apprentice starts in the city. Graduate Apprenticeships are a less mature development route but are nevertheless showing excellent outcomes.
- 1.8 Covid undoubtedly impacted the region dramatically with tidal wave of job losses initially predicted to be more than four times that of Edinburgh and six times more than Glasgow when coupled with a stubbornly low oil price and an energy sector in transition. The region has induced more pain than other areas in the country. Nevertheless, this economic interruption may also present a longer term opportunity to 'bounce back better' with a renewed focus on healthcare and green energy. This project along with others established through Aberdeen Prospers, aims to support a recovery with these areas at its heart.

2 IMPROVEMENT PROJECT AIM

- 2.1 Against this background, in October 2021, the CPA Board approved the [project charter](#) for the initiation of an improvement project which aimed to increase the number of Modern and Graduate Apprenticeships by 5% by 2022.
- 2.2 The benefits of Modern Apprenticeships are well known and well established. Graduate Apprenticeships are a less mature product but one which offers similar benefits and provides a new development route for in-work candidates and job seekers. Benefits include:
- 92% of MAs stay in work once they're qualified (for at least 6 months).
 - Modern Apprenticeships offer the opportunity to enhance Scotland's work-based learning system and reduce youth unemployment.
 - Employers who've taken on MAs are positive about the experience: 96% say those who've completed a Modern Apprenticeship are more able to do their job. They also praised MAs for improving productivity, staff morale, and service and product quality.
 - Modern Apprentices are also enthusiastic about their achievements – 96% would recommend an MA to other people. MAs also report higher levels of satisfaction, happiness and feeling their life is worthwhile compared to the general population.
 - An apprentice completing a level 3 MA generates an additional return of £4.10 - £5.50 for every pound of public investment.

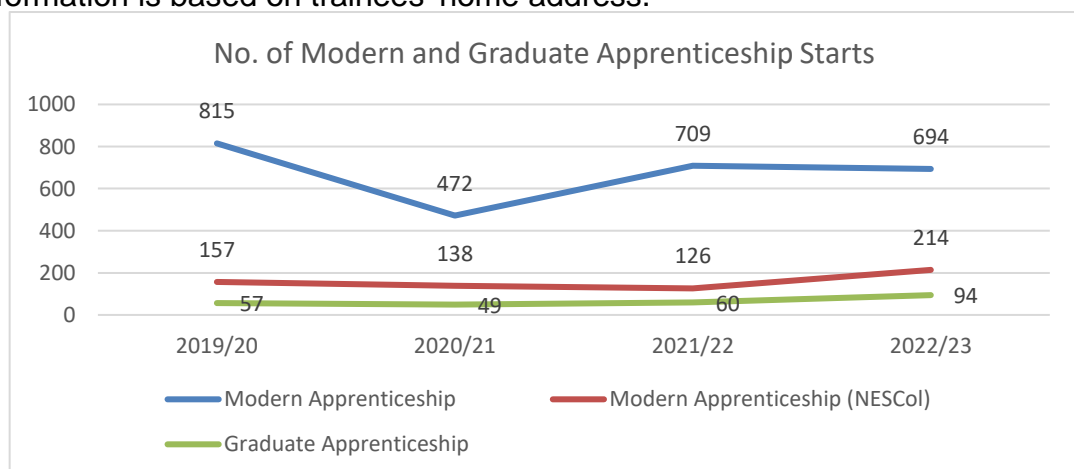
3 WHAT CHANGES DID WE MAKE?

3.1 The multi-agency project team reviewed the current systems locally, including feedback from employers and apprentices, from which the following change ideas were identified and tested. Changes had to be adapted at times throughout the project, given covid and resources available.

1. Develop and host promotional events for employer sand potential apprentices with a view to:
 - a. Introducing networking opportunities between MA Training Providers and GA Training providers to enable cross selling and onward progression for candidates.
 - b. Develop and hold a promotional campaign/programme with schools to promote modern and graduate apprenticeships as an equally attractive development route to academic attainment.
 - c. Hold focus groups in St Machar Academy as a pilot venue to better understand the knowledge of young people relating to this career path to establish whether better information would have a beneficial impact.
2. Introducing incentives. Through *the Apprentice Employer Grant* employers were offered £5k on recruitment of a new Modern Apprentice (i.e. displacement was not allowed). This yielded surprisingly strong results for NESCol in a very challenging economic environment.

4 HAVE OUR CHANGES RESULTED IN IMPROVEMENT?

4.1 The project has achieved the aim to increase Graduate Apprenticeships by 5% increase with a 68% increase. As a region, there has been a 15% decrease in MA starts between the baseline year and 2022/23. However within NESCol (where the improvement projects have been trialled) NESCol data demonstrates that the interventions in this period has resulted in a 36% increase from 157 in 2019/20 to 214 in 2022/23. It should be noted that NESCol figures are across both City and Shire and segmenting will prove difficult. Information is based on trainees' home address.



- 4.2 The above data shows a buoyant market at baseline position followed by a massive downturn caused by the covid pandemic. 2021/22 shows the post covid bounce, driven by engineering, but seen across all industry areas which have struggled to recruit the volume of resources required.

Incentives Scheme and develop and host promotional events for employers and potential apprentices.

- 4.3 The Apprentice Employer Grant Scheme introduced to encourage Modern Apprenticeship recruitment to support economic recovery following the Covid pandemic, offered employers £5k for recruitment of new MAs. Despite only a short window of opportunity and in an economic climate still handicapped by lockdown, 55 new Modern Apprenticeship places were secured.
- 4.4 Focus groups were held at St Machar Academy with two groups of pupils. One group entering S4 and another entering S5/S6. There were approximately 6 in each group and while this cannot be considered a representative sample, the results were particularly interesting. We found that pupils who are looking to leave school to progress a Modern Apprenticeship qualification (considered to be less academically ambitious), appear to be less well informed about their opportunities and how those opportunities are identified, funded and secured. For Foundation and Graduate Apprenticeships (noting that Foundation Apprenticeships are outwith the scope of this project), although the qualifications are less-well established, those candidates interested in pursuing these opportunities, tended to be those staying on for their senior phase and with greater focus and knowledge of their career options.
- 4.5 There was also an understanding that Foundation Apprenticeships could be used to strengthen university applications either as qualifications in their own right, or as important opportunities for relevant work experience. Level 4 apprenticeships lend themselves more to progression opportunities for Modern Apprenticeships, although the project was unable to test the effectiveness of this. We will continue with this activity beyond this project.
- 4.6 The implications of this are that greater energy needs to be put into the early years of secondary education to inform prospective apprentices about Modern Apprenticeship opportunities. This feedback informed the development of a promotional campaign, however to further achieve it is recognised that we need to encourage greater employer participation in the early secondary school years and develop opportunities for engagement and inspiration for young people who are more likely to follow a vocational education route.

5 HOW WILL WE SUSTAIN THESE IMPROVEMENTS?

- 5.1 The changes above have been embedded as business as usual and we will look to roll out those measures proving successful across Aberdeen City (and beyond) and share findings with partners.
- 5.2 As above, in response to the feedback from young people, we will continue to work with schools and other stakeholders (specifically DYW Coordinators) to draw attention to Modern Apprenticeship opportunities at S2 and S3 age groups, so that those minded to leave school to pursue apprenticeship

opportunities, better understand how to follow those career paths. We will seek to do this alongside employers who are trusted partners in our apprenticeship delivery.

- 5.3 It should be noted that current budget constraints across apprenticeship provision – both via SDS and SFC may have an impact on sustainability. This is highlighted in the risk section below.

6 HOW WILL WE MONITOR THESE IMPROVEMENTS?

- 6.1 MA and GA data is provided by Skills Development Scotland on a quarterly basis and is readily available at key stages throughout the year and standing reports can be generated to provide this information.
- 6.2 It is noted that GA information is not produced on a geographic basis by SDS in the same way that MA data is and so discussion is required to ensure consistency of monitoring if this offers long term benefit.
- 6.3 Should it be agreed that the project is ended, the data recorded will also continue to be monitored and reported to the Aberdeen Prospers Group, as well as added to the Outcomes Framework/Improvement Programme Dashboard to ensure that performance continues.

7 OPPORTUNITIES FOR SCALE UP AND SPREAD

- 7.1 The project has evidenced how incentives have a direct impact on apprenticeship numbers and it follows that restrictions to funding will have the opposite effect. This approach could be used by other projects and in other settings, however noting the potential risks in terms of time limited funding streams.
- 7.2 Information events at St Machar Academy will be rolled out in other schools as business as usual. Similarly, NESCol will continue to take advantage of employer events to promote Modern Apprenticeships as exciting and hugely beneficial opportunities for young people.

Recommendations for Action

It is recommended that the CPA Board:

- i) Agree that testing is concluded and that this Improvement Project is brought to an end on the basis that growth of over 5% in both Modern and Graduate Apprenticeship numbers has been achieved;
- ii) Note that achievement of the aims has been dependent on funding allocations from the Scottish Government and sustaining the achievement would be dependent on this; and
- iii) Note that the data set for the overall aim will continue to be reported via the improvement programme dashboard to ensure progress is monitored.

Opportunities and Risks

- i) The main opportunity and risk from this project are from the economic environment that the region finds itself in and on any associated Scottish Government support. Where the economic climate is buoyant (as at present), Training Providers need to manage expectations when promoting funded places. However where the economy begins to downturn, there will be a need to increase MA promotion and potentially to lobby for incentives for employers to recruit. There is no need for incentivisation at the time of writing.
- ii) Scottish Government funding for MAs and GAs has a direct impact on recruitment. Any reduction in funding presents an immediate risk to delivery. Employers who have traditionally relied on SDS financial support for apprenticeships may be disappointed and dissuaded from future recruitment.
- iii) There is an important opportunity for school guidance staff, DYW Coordinators, Training Providers and Employers to promote the benefits of the Apprenticeship Family and to collaborate in sharing inspiring examples of apprentice journeys. SDS provides high quality information and marketing materials for general use and these need to be shared more widely.

Consultation

Aberdeen Prospers
CPA Management Group

Background Papers

The following papers were used in the preparation of this report.
[Charter 3.4](#)

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