

Barnardo's Scotland response to the Scottish Government consultation on the Apprenticeship Levy

August 2016

Barnardo's is the largest children's charity in Scotland, we work with more than 26,500 children and young people in over 122 specialised services every year. Our services work with families and children living in poverty and facing multiple disadvantages.

Our Barnardo's Works service is aimed at young people who require additional support to access and maintain employment and training. This includes young people leaving care, those experiencing mental health problems, young people with chaotic lifestyles or a history of offending, those with low levels of literacy and numeracy skills or a history of inactivity during the year since leaving school. The service partners with employers to provide a supported path to employment in areas that have a specific skills shortage.

Barnardo's Scotland also represents the third sector on the Scottish Apprenticeship Advisory board.

Q1. Should the Government's commitment to 30,000 starts a year by 2020 a/ be maintained b/ be increased?

We would like to see a focus on achieving 30,000 starts by 2020. The emphasis should be on ensuring that every apprenticeship is of good quality. To do this there is a need to fit with the frameworks relevant to growth sectors and to ensure that underrepresented groups are given a greater opportunity to gain support before and after a Modern Apprenticeship (MA).

To help achieve this, we would suggest that the range of contracted MA providers should be widened to include organisations that have experience in supporting under-represented groups. In doing this there should also be the opportunity to bring a more diverse range of employers into using MAs. In particular, widening the range of contracted providers in this way will be more likely to engage small and medium sized employers.

In our discussions with small and medium sized employers a common theme is that they don't have the capacity or structures to fully support some young people on MAs. For example it is important that employers are able to support young people's pastoral and educational needs. Our experience and feedback from our employer base is that when this comprehensive support is provided the employer and young person both benefit.

To achieve this there needs to be additional support for employers. At the same time it is important to recognise that many young people have additional support needs. These needs may have been recognised in school but don't stop once a young person takes up a training place or enters employment. It is crucial that where a young person requires additional support this should be in place on entering a MA.

We support the idea that there is a need to widen the pool of young people that employers can call on. At the same time consideration should be given to widen the range of providers contracted to support them.

Q2. Should Apprenticeship levy funding support growth in the number of Graduate Level Apprenticeships in Scotland?

We would welcome this as part of a package of a wider range of opportunities available to young people on leaving school. This will need to be industry led.

Q3. Should Apprenticeship levy funding be used to establish a flexible skills fund to support wider workforce development?

We believe this could potentially be a productive use of the funding, recognising that a good quality job with qualifications (gained as part of an MA or not) has multiple benefits for the individual, society and economy.

Continuous learning and development in the workforce should be seen as an important tool to help address the issue of under-employment and in work poverty. In 2014-15, more than half of working-age adults in poverty (58 per cent) lived in families where someone was in work. And two-thirds of children in poverty (66 per cent) also lived in families where someone was working¹. This rate of in-work poverty has been steadily increasing for several years. More people are finding work but reductions in in-work benefits and

¹ <http://gov.scot/Publications/2016/06/3468>

low pay undermine the potential for development of workers and keep people locked in poverty.

Barnardo's Scotland believes that enabling young people to continue to learn, qualify and develop in the workplace will have a positive effect on their earnings potential.

The highest qualification held by an individual is important in determining their risk of low pay. Research by the Department of Business, Innovation and Skills in England found that three in ten of those on low pay do not have officially recognised qualifications; a further one in five is educated to GCSE level. On average, achieving a Level 1 qualification adds about 10 per cent to the earnings of a worker with no qualifications. It should also be recognised that a focus on increasing skills and qualification levels without a corresponding increase in demand for skills by employers may simply result in people working in jobs they are over-qualified for.

Funding to employers to support the workforce development of new recruits in particular may also have a positive effect on economic performance and improve the skills and knowledge of the workforce in key sectors. Improving productivity and helping to lift young people who are working, out of poverty and in to better paid jobs.

This is especially important for vulnerable groups of young people, particularly during their first year of employment.

Q4. Should Apprenticeship levy funding be used to support the expansion of Foundation Apprenticeships?

We recognise the benefits that Foundation Apprenticeships (FAs) can bring to enriching the curriculum at the senior phase in school, especially for those young people who wish to pursue a more vocational route on leaving school.

It is perhaps too early to judge the impact of FAs, however Barnardo's is clear that there should be a role for a more vocationally orientated 'alternative' curriculum particularly for young people who are demonstrating attendance issues or simply wish to pursue a more vocational route. Foundation Apprenticeships should be open to all young people in the senior phase and we should ensure there is an opportunity for all young people to participate if they wish to do so.

Consideration needs to be given as to when FAs become available. At present many of the most disadvantaged young people are likely to miss out on an FA as they leave school in 4th year. There may be merit in expanding FAs to allow 4th year students to have the option of taking them.

Q5. Should Apprenticeship Levy funding be used to help unemployed people move in to employment, and to help the workforce needs of employers?

We believe that more could and should be done to prepare young people to successfully gain and complete a Modern Apprenticeship. For example, the *Developing Scotland's Young Workforce: Scotland's Youth Employment Strategy* recognised this in relation to care leavers when it recommended that

"Educational and employment transition planning for young people in care should start early with sustained support from public and third sector bodies and employers available throughout their journey toward and into employment as is deemed necessary²".

It is extremely important that there should be a clear pre-apprenticeship pathway/programme for those young people recognised as under represented on MAs. This includes young women, care leavers, BME and young disabled people. Such a programme could focus on working with a diverse range of employers to help young disadvantaged people become more capable of gaining and sustaining a Modern Apprenticeship or a quality job with on-going learning and development. This is particularly important given the recent cuts to the Employability Fund which seems counterproductive to achieving 30,000 starts.

Barnardo's Scotland believe that the levy could be used to support a specific programme aimed at care experienced young people to support them into employment

By linking this to a Modern Apprenticeship programme which combines the pastoral support needs of young people and employers with the support to achieve a vocational qualification, we can begin to see an MA programme which meets the needs of employers and supports a diverse range of young people.

For clarification of any of the points in this response contact Eddie Follan 0131 446 7077 or eddie.follan@barnardos.org.uk

² <http://www.gov.scot/Publications/2014/12/7750>