



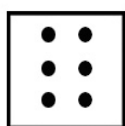
Economy & Enterprise OSC

Scrutiny review of support provided
for skills development within County
Durham

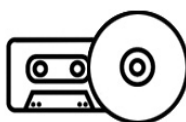
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Chairman's Foreword



The 'Altogether Wealthier' theme remains the top priority of the council with its main aim to improve the economy and job prospects. The council has a vision for a higher value sustainable economy and strong ambitions for further inclusive growth. One of our key mechanisms to achieve greater economic prosperity for our communities is to increase the employment rate and prepare for a higher level skills workforce. We need to ensure that the skills and aspirations of County Durham's current and future workforce are raised so that they are willing and able to compete for jobs. It is against this backdrop that the Economy and

Enterprise Overview and Scrutiny Committee agreed to undertake a detailed review identifying how Durham County Council working with partners supports skills development.

County Durham has been extremely successful in recent years in attracting inward investment with a number of major companies locating in the county including Hitachi Rail Europe and Atom Bank. A number of established companies are also expanding such as Husqvarna, Gestamp and Tridonic. It is essential that DCC working with partners identify skill requirements and develop training programmes to ensure that the County Durham workforce have the skills to meet these needs.

During the review we received information on: the approach to skills development nationally, regionally and locally; our current occupational profile and skills base; barriers to employment; further education and skills reform; the role of DCC, key partners and business in supporting skills development and future skill priorities. The review group visited New College Durham, Infinite Learning and Development and South West Durham Training to see 'first hand' the quality of training provided. This review report proposes a number of recommendations which aim to build on the current partnership working to support local people into employment and meet the skill requirements of local business.

I would like to thank all of those who have been involved in gathering information especially colleagues from FE Colleges, Infinite Learning and Development, County Durham Economic Partnership, Business Education Board, National Careers Service, South West Durham Training, Esh Group, Dyer Engineering LTD, Caterpillar, Area Action Partnerships and DCC officers from CYPs, T&P and RED Service Groups. I would also like to thank my fellow Councillors who have served on the review group.

Councillor Rob Crute

Chair Economy and Enterprise Overview and Scrutiny Committee

Executive Summary

- 1 The Economy and Enterprise Overview and Scrutiny Committee as part of the work programme for 2014/15 received an overview of skills development within the county. When considering the report and presentation members noted that some employers within the county were concerned that the current workforce does not have the skills they require. A lack of required skills could be preventing local people from accessing employment opportunities available within the county. As part of the refresh of the committee's work programme for 2015/16, members therefore agreed to conduct a scrutiny review looking at this area.

Focus of the review

- 2 The aim of the review is to investigate and understand the role and performance of DCC and key partners in supporting skills development within County Durham, identify any barriers to employment and the future skill priorities for the county.
- 3 The review objectives were to:
 - Consider and understand the current approach to skills development at a national, regional and local level.
 - Examine the existing occupational profile of County Durham including the skill base of residents within County Durham and compare to the regional and national skill base.
 - Consider and understand the role and performance of DCC and key partners in supporting skills development within the county including detail of various projects/initiatives.
 - Examine how DCC engages with key partners including the National Careers Service, Business and Education Board, FE colleges, specialist learning providers, employers and the County Durham Economic Partnership (CDEP) to support skills development within the county.
 - Identify any barriers to employment for a variety of specific sectors including employers, adults and young people including young people who are not in education, employment or training (NEETs).
 - Examine any actions identified to address barriers.
 - Identify and consider future skill priorities for the county.

Methodology

- 4 A review group of 13 members was established from the committee's membership which gathered evidence over eight meetings and three visits providing an opportunity to see 'first hand' the type of skills support provided by partners within the county.

Key Findings and Conclusions

- 5 The government is implementing a programme of Further Education (FE) and skills reform with the introduction of Area Based Reviews, the Apprenticeship Levy and a statutory apprenticeship target for public sector bodies. The programme also includes full devolution of the Adult Education Budget to Combined Authorities with skill devolution agreements by 2018/19. The reforms will have significant implications for Durham County Council and for County Durham. There is a need for DCC to robustly monitor the progress and impact of the reforms.
- 6 DCC working with partners has developed a number of local programmes to support skills development including three apprenticeship programmes (Teenage Parent Apprenticeship Programme, ICT Apprenticeship Hub programme and the County Durham Apprenticeship Programme). The County Durham Apprenticeship Programme (CDAP) provides a series of top up grants to County Durham SMEs with fewer than 50 employees to create additional apprenticeship or job opportunities. The grant criteria for the programme has recently been revised to increase the number of grants available. DCC needs to continue to monitor the development of the three apprenticeship programmes and be pro-active in promoting the various top up grants and support available to SMEs via the CDAP to increase take up within the county.
- 7 The DurhamWorks Programme is a County Durham programme developed to deliver the Youth Employment Initiative (YEI). The programme provides significant opportunities for young people aged 16-24 who are unemployed or inactive and resident in County Durham. Due to delays resulting from discussions between the British Government and the EU, the programme is to be delivered in 28 months, a much shorter timeframe than the four years originally proposed. The programme has a number of outputs and indicators set by the Department for Work and Pensions. DCC needs to ensure that the monitoring arrangements in place to monitor the performance and delivery of the programme are robust.
- 8 Turning to support arrangements in schools and colleges, young people need to be made aware of all available career opportunities. This should include vocational and apprenticeships routes together with an opportunity for a meaningful work experience placement. Currently, there is a wide range of good quality careers support available to schools, FE colleges and specific groups of young people. This support is provided by DCC through the Improving Progression of Young People Team, Durham Education Business Partnership (DEBP) and the One Point Service. Some schools in the county do use these services however there is a need to increase take up with DCC having a key role in promoting to schools the range of support available.
- 9 County Durham has 14 Area Action Partnerships (AAPs) and at the time of the review eight have employment and/or training included in their top three priorities with £1m of AAP Area Budget Spend (since 2012) spent directly on skill based projects. The AAPs working with partners have developed and delivered a range of successful skill projects including apprenticeship and mentoring programmes, enterprise and job clubs and individual bespoke

projects making a significant contribution to skills development in the county. The AAPs need to continue to develop local skill projects and where appropriate share details of projects across the AAP network. The council should also consider how any elements of individual AAP projects can be used to complement the DurhamWorks Programme.

- 10 Both employers and partners highlighted the importance of succession planning. However, the majority of businesses within the county are SMEs and micro-businesses and do not have the capacity or resources to succession plan. Partners in the county are currently using a variety of labour market tools to try to predict employers' future skill requirements which results in a lack of consistency in the data generated. Key partners in the county need to use the same labour market tools and share data generated to ensure consistency in the data provided for succession planning purposes.
- 11 Engagement undertaken in relation to skills development between key partners and with schools and employers is extensive and robust. The Business and Education Board (BEB) continues to give business and education engagement in the county a high profile by facilitating dialogue between the sectors. In July 2015 the BEB developed an event 'Get the Buzz' week, bringing schools/colleges and business together. During the event 17 businesses and nine schools participated resulting in the engagement of 3,363 pupils. The BEB needs to build upon the success of 'Get the Buzz' week whilst continuing to work with partners to identify and develop future opportunities for business and education engagement across the county.

Recommendations

Recommendation 1

That the Council robustly analyses the impact of the introduction of the Apprenticeship Levy and the statutory apprenticeship target on Durham County Council and further apprenticeship opportunities in the county.

Recommendation 2

That Durham County Council monitors the progress of the North East Area Based Review and the full devolution of the Adult Education Budget within the context of future FE provision within County Durham.

Recommendation 3

That Durham County Council (DCC) via the Regeneration and Economic Development (RED) Service Grouping is pro-active in promoting with SMEs and training providers in the county the various top up grants available from the County Durham Apprenticeship Programme (CDAP) together with the availability of support to employers to assist in applying for the various available top ups.

Recommendation 4

As part of the monitoring arrangements for the DurhamWorks Programme the Council ensures that the Economy and Enterprise Overview and Scrutiny Committee receive updates on the progress, performance and delivery of the programme.

Recommendation 5

That Durham County Council is pro-active in promoting with schools the importance of providing young people with good quality Careers Education, Information, Advice and Guidance (CEIAG) together with an opportunity for meaningful work experience placement with local employers, and continues to monitor take up of provision by schools.

Recommendation 6

That the Area Action Partnerships (AAPs) continue to develop local skill projects and initiatives and where appropriate share across the AAP network and work with the Children and Young People's Services Service Grouping to determine whether any elements of individual AAP projects can be used to complement the DurhamWorks Programme.

Recommendation 7

That key partners within the county be encouraged through the County Durham Economic Partnership (CDEP) to use the same labour market tools and share data so that there is a consistent approach to predicting employer's future skill requirements.

Recommendation 8

That the Business and Education Board build upon the success of 'Get the Buzz' week by continuing to work with partners to identify and develop future opportunities for business and education engagement across County Durham.

Recommendation 9

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet including as part of this process the following:

- A summary of AAP activity currently undertaken across the county focusing on skills development.
- A summary of activity undertaken to develop further opportunities for business and education engagement.
- An update on the progress of the three local apprenticeship programmes (Teenage Parent Apprenticeship Programme, ICT Apprenticeship Hub Programme and the CDAP).

Detailed Report

1. Approach to Skills Development

1.1 National approach

- 12 In November 2014, the government published a report 'Growth through People' UK Commission for Employment and Skills (UKCES) looking into the UK skills system.
- 13 The report describes the changing nature of the workforce, with the previous 20 years seeing a significant rise in technology throughout most working practices, 4.6 million more high-skill jobs and 1.3 million lower-skill jobs were created, whilst the number of mid-level skilled jobs declined. The report sets out the following five priorities for action for the next 20 years:
- Employers need to lead on skills development at national, regional and local level.
 - Improving workplace productivity is the route to pay and prosperity, including better management, better job design and increased employee engagement.
 - There should be a clear career pathway for young people such as apprenticeships and this should be a normal way for business to recruit and develop their workforce.
 - Work experience should become an integral part of education for all young people, bridging the gap between education and work.
 - Success should be measured by a wide set of outcomes, including jobs and progression and not just academic qualifications.
- 14 Following the publication of the report, the government has further expanded the apprenticeship programme and introduced additional reforms including:
- High quality professional and technical routes to employment, alongside robust academic routes which allow individuals to progress to high level skills valued by employers; and
 - Better responsiveness to local employer needs and economic priorities, for instance through local commissioning of adult provision, which will help give the sector the agility to meet changing skills requirements.
- 15 In order to deliver the above, government requires a network of technology and national colleges to deliver high standard provision at levels 3, 4 and 5. There is also a move towards fewer, often larger, more resilient providers with the Departments for Education and Business Innovation and Skills facilitating a programme of area-based reviews to review 16+ provision in every area.

1.2 Regional approach

- 16 The North East Local Enterprise Partnership (NELEP) covers the local authority areas of County Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland. The NELEP was set up as one of 39 local enterprise partnerships in England, which work with the government to drive economic growth. The national approach to skills

development outlined in the UK Commission for Employment and Skills report directly corresponds with the regional approach taken across the whole of the labour market.

- 17 The NELEP published a Strategic Economic Plan (SEP) in April 2014, which sets out its priorities for utilising government and European funding. The NELEP priorities relating to education and skills include: strengthening the skills system to align skills with the needs of employers, supporting young people and investing in new training facilities. The North East Strategic Skills Group work with the area's seven local authorities, business, voluntary partners and skills providers to implement the key priorities and report progress to the NELEP Board.
- 18 The NELEP also has a Skills Implementation Plan to drive economic growth and improve employability, outlining the key challenges that it needs to address such as: the relatively low uptake (particularly among females) of science, technology, engineering and mathematics (STEM) subjects; a lack of consistency or coordination of careers education and information, advice and guidance (IAG); structural economic and demographic issues (including too few private sector jobs, higher than average unemployment levels, an aging skilled workforce and gender imbalances in some sectors); the low proportion of the working age population that has Level 3 or above qualifications and employers understanding the complexity of the skills funding system.
- 19 The seven local authorities of Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland have jointly established a Combined Authority (NECA). The Combined Authority plays a leading role in creating conditions for economic growth and new investment.
- 20 The North East Combined Authority (NECA) will create an integrated employment and skills system tailored to the specific needs of the area. The aim will be to raise labour market participation and skills at all levels, increase productivity, improve the life chances of young people, help people into work and meet the skills shortages experienced by North East employers.
- 21 This process will be overseen by an Employment and Skills Programme Board with dual accountability to both the North East Combined Authority and to government.

1.3 Local - County Durham Skills Strategy 2014-2018

- 22 The 'Altogether Wealthier' theme remains the top priority of DCC with its main aim to improve the economy and job prospects across the county. The skills, abilities and attitudes of the current and future County Durham workforce are critical to the future economic success of the county. The County Durham Skills Strategy 2014-2018 is the county's key strategy for skills development.
- 23 The strategy has an economic focus, aiming to develop a more highly skilled workforce, with a higher proportion of residents gaining high-level qualifications. The strategy identifies the following 10 key priorities:

- Improve the qualifications and skills of County Durham residents;
 - Develop skills to enable progression into employment;
 - Improve skills to promote enterprise and entrepreneurial behaviour;
 - Narrow the skills attainment gap in economically deprived communities;
 - Develop skills to meet demand of growth sectors;
 - Increase the number of Apprenticeship opportunities;
 - Stimulate demand for higher level skills to increase productivity and growth;
 - Develop high quality Information, Advice and Guidance;
 - Develop market intelligence for employers, learners and providers in order to match supply with demand and to improve the relevance of skills provision;
 - Support employers to utilise the skills funding system.
- 24 The strategy was developed by a task group of the County Durham Economic Partnership's Business, Enterprise and Skills Working Group which included representatives from a broad range of key partners. The group analysed changes in education, skills and the industrial and occupational profile of County Durham during the previous ten years. A review of regional and national strategies was also undertaken, to ensure that this strategy both reflects and influences national, North East LEP and Combined Authority activity in relation to education and skills.

2. Occupational profile and skills base of County Durham

- 25 County Durham has a more balanced occupational profile compared to the North East LEP area and England. The county has fewer residents employed in higher-level occupations (managers, directors, professional, and technical occupations) compared to the North East LEP area and England but similar levels in lower-level occupations (sales, customer service, plant and machine operatives, and elementary occupations). The largest proportion of the county's workforce work in mid-level occupations (administrative, skilled, caring and leisure occupations) and it is this group that has seen the largest increase since 2004.
- 26 Mid-level occupations require a level of education, training, experience or competence which is above basic literacy and numeracy and suggests they may have the potential to move up to higher-level occupations during their careers.
- 27 Due to job shortages within the county, there may be a significant number of people who are in occupations that require lower levels of skills and qualifications than those they possess; so the county's workforce should be well placed to drive growth when there are more jobs requiring higher skills and qualifications. This could lead to a significant shift in the county's occupational profile towards a larger number of workers in mid-level and higher-level jobs in the future. Whilst growth is subdued, it is vital that we grow and retain well-educated and skilled workers, particularly well-educated younger people, to offset the large proportions of older generations in the workforce that will retire in the next decade.

- 28 County Durham's qualifications profile is significantly different to that of the North East LEP and England with fewer individuals of working age holding NVQ4+ qualifications. In addition, County Durham has a higher proportion of individuals with NVQ1 or no qualifications (see County Durham resident qualifications in table below).

County Durham Resident Qualifications

Qualifications (Jan 2014-Dec 2014)	County Durham (level)	County Durham (%)	North East (%)	Great Britain (%)
NVQ4 and above	85,400	26.4	28.4	36.0
NVQ3 and above	162,600	50.3	52.5	56.7
NVQ2 and above	223,800	69.2	71.7	73.3
NVQ1 and above	272,300	84.7	84.2	85.0
Other qualifications	19,600	6.1	5.3	6.2
No qualifications	31,300	10.0	9.7	8.8

Source: ONS annual population survey Notes. Numbers and % are for those of aged 16-64 - % is a proportion of resident population of area aged 16-64.

3. Barriers to employment within County Durham for specific groups

Key findings:

- Young people aged 16-24 identify the following barriers: lack of work experience opportunities, lack of good quality IAG, lack of qualifications, lack of digital skills, transport issues, lack of confidence, self-esteem, motivation and the unrealistic expectations of employers.
- Strands 1, 2 and 3 of the DurhamWorks Programme have been developed to tackle barriers identified by young people via the youth focus groups.
- Employers identify the following barriers to offering employment and training opportunities: complexity of skills system; need for employers to identify future skill requirements (succession plan) and the need for young people to meet employer's expectations.
- Strands 1 and 3 of the DurhamWorks Programme include provision for significant employer engagement and support.
- The following barriers are identified for adults: an increase in the number of over 50s looking for work; more people qualified at Level 4 than Level 4 jobs available and younger people better qualified than older workers however they lack the level of skills required by employers.
- AAPs have successful projects to support the 50 plus group back into employment. The Council and partners are focusing on increasing the number of high level jobs and higher level apprenticeships available.

3.1 Young people

29 Prior to preparing the DurhamWorks Programme bid a significant amount of research has been undertaken with young people aged 16-24 in the county via youth focus groups and an on-line survey. One element of the research asked young people to identify barriers to employment.

30 Young people identify the following barriers:

- Lack of work experience opportunities.
- Lack of quality Careers Education information, Advice and Guidance (CEIAG).
- Lack of qualifications.
- Lack of digital skills – 18% of young people taking part in the research identified this as a barrier.
- Transport – lack of funding for travel costs.
- Lack of confidence, self-esteem, motivation – suggested the need for an advocate or mentor to support through the training and employment process.
- Employers need to have realistic expectations of young people and offer support particularly for those young people who have gone directly from school into employment.

31 The views of young people provided in the youth focus groups were used to inform the development of activities that are delivered across the following three strands of the DurhamWorks Programme:

- Strand 1 provides 'wrap-around' support to young people engaged in the programme.
- Strand 2 contains a wide range of targeted activities, programmes and projects which will engage participants and support their progression towards and into the labour market.
- Strand 3 supports the development of social entrepreneurs and self-employment and the creation of jobs and apprenticeships with the voluntary sector.

32 As part of the DurhamWorks Programme delivery partners can provide funding support to cover costs such as food and transport.

3.2 Employers

33 In developing the DurhamWorks Programme research was undertaken with employers to identify barriers to providing employment and/or training opportunities. Employers identify the following barriers:

- Complexity of the skills system – SMEs and micro – businesses struggle to engage and identify where support can be found.
- SMEs need to identify future skill needs and succession plan – to ensure their skill requirements can be met.

- Expectation of employers – Want new employees to have all necessary employability skills (not willing to provide support to new employees).
- 34 Strands 1 and 3 of the DurhamWorks Programme include focused provision for employer engagement and support via Business Advisors, an Employment Engagement Coordinator and a protocol for employer engagement that includes the following elements:
- Identifying the aspirations, growth plans and recruitment needs of a business.
 - Exploring the potential for work experience, jobs, apprenticeships and traineeships.
 - Identifying and removing barriers to employing a young person.
 - Pre-screen all candidates.
 - Maintain regular contact with Employer Advisors to ensure a smooth transition for the young person into the employee role.

3.3 Adults

- 35 Local intelligence and meetings with employers in the county identify the following barriers for adults:
- An increase in the number over 50s looking for work - JCP have noted an increase in the number of over 50s unemployed with no core initiative in place to target this group.
 - More people qualified at Level 4 than Level 4 jobs available in the county – An increase in the number leaving university or college and taking lower level jobs and having to work their way up.
 - ‘Younger people’ better qualified than older workers however they lack the level of skills required by employers.
- 36 AAPs have successful initiatives focusing on supporting adults (including those 50 plus) back into employment such as the DCC Employability Mentoring Project. Partners in the county are focusing on increasing the number of high level jobs and higher level apprenticeship opportunities with additional funding for Level 3 apprenticeships and above. Training providers are working with local employers to develop training programmes that meet their specific training requirements for example the welding programme developed by Infinite Learning and Development (ILD) for Caterpillar (for further detail of Welding Academy see page 28).

3.4 Skill Priorities 2016

- 37 Partners have identified the following skill priorities for 2016:
- Continue to develop school-business engagement with the implementation of the school-business engagement plan.
 - Continue to encourage and facilitate apprenticeship creation - ensuring a mix of levels from Level 2 to higher Levels (Levels 4 and 5).
 - Workforce upskilling – encouraging employers to succession plan and identify future skill requirements to ensure that the future workforce has

the skills required by employers (need for accurate Local Market Intelligence (LMI)).

- Implementation and delivery of the DurhamWorks Programme – a significant opportunity for County Durham providing ‘wrap-a-round’ support for 16-24 age group (for detail of DurhamWorks Programme see page 17).

- 38 The Review Group commented that the support provided in the county via DurhamWorks Programme, DCC apprenticeships programmes, Welfare Reform Initiative and relevant AAP projects provide significant opportunities to tackle the barriers to employment identified by the individual groups.

4. Further Education and Skills Reform Programme

Key findings:

- The North East Area Based Review of Post-16 Education and Training will include all four FE colleges in the county and will take 5/6 months.
- The review could result in a number of outcomes including: mergers, federations, alternative structures, shared back office functions, new Institutes of Technology and local outcome agreements.
- The Apprenticeship Levy is a charge on large employers (including public sector employers) and ring-fenced to pay for learning costs associated with hiring and training apprentices. The cost to DCC will be £1.89m based upon 2015/16 payroll.
- Government is consulting on the introduction of a statutory apprenticeship target of 2.3% for public sector bodies that employ more than 250 people. Based on DCC’s total workforce figure of 18,836 as at 31 March 2016, the estimated total number of apprentices required is 433.
- Government is working towards full devolution of the Adult Education Budget (AEB) by 2018/19 in those Combined Authority areas including the North East with skills devolution agreements.

4.1 Area Based Reviews

- 39 Government is facilitating a restructure of the further education sector through a series of Area Based Reviews. The reviews are designed to achieve a transition towards fewer, larger more resilient and efficient institutions. However, any changes to learning provision must take into account the needs of 16-19 year olds and adult learners with Special Educational Needs and Disabilities (SEND).
- 40 Government expects Area Based Reviews, covering all areas of the country to be completed by March 2017, with full implementation by 2020. The North East is included in wave four of the Area Based Reviews which will commence in September 2016 with the review process lasting for 5/6 months.
- 41 The four County Durham further education colleges (Bishop Auckland, Derwentside, East Durham and New College) are included in the North East Area Review along with other FE colleges from across the North East LEP area.

- 42 The North East Area Based Review could result in a number of outcomes including mergers, federations, alternative structures, shared back office functions, new Institutes of Technology and local outcome agreements.

4.2 Apprenticeship Reform

- 43 In the July 2015 Budget, the Chancellor announced that government would introduce an Apprenticeship Levy for large employers to fund the Apprenticeship Programme in the UK. The levy will apply to employers across all sectors with effect from 6 April 2017 and is a charge on large employers ring-fenced to pay for learning costs associated with hiring and training apprentices.
- 44 The charge will be paid into a central pot payable at a rate of 0.5% of the employers annual pay bill if it exceeds £3 million per annum. Each employer will receive an allowance of £15,000 to offset against their levy payment. The levy allowance will operate on a monthly basis and will accumulate throughout the year (an allowance of £1,250 a month with any unused allowance carried from one month to the next).
- 45 Once employers have paid the levy they will be able to access funding for apprenticeships through a new digital apprenticeship service account. Employers who pay the levy and are committed to apprenticeship training will be able to draw out more value than they have paid into the levy through a 10% top up from government to their digital account to spend on apprenticeship training. This means that for every £1 that enters an employer's digital account to spend on apprenticeship training the employer will receive £1.10.
- 46 The levy cannot be used on other costs associated with apprentices or wider training for example wages, travel and subsistence, management costs, traineeships, work placements or the cost of setting up an apprenticeship programme.
- 47 It is estimated that the cost of the Apprenticeship Levy to DCC based upon 2015/16 payroll including Local Authority maintained schools (excluding NI and employer's pension contribution) will be approximately £1.89m.
- 48 Government has announced its aim to deliver three million apprenticeships by 2020. In order to achieve this aim it wants to ensure that the public sector employs a significant proportion of apprentices. In January 2016 the government published a consultation on introducing a public sector apprenticeship target of 2.3% for public sector bodies that have 250 or more employees. Government's response to the consultation is still awaited.
- 49 DCC as at 31 March 2016 currently has 202 apprentices (127 in schools and 75 spread across DCC Service Groupings) throughout the authority. If a statutory target of 2.3% is introduced based on DCC's total workforce figure of 18,836 (including schools as at 31 March 2016) the estimated total number of apprentices required will be 433, an additional 231 apprentices.

4.3 Funding

- 50 The government is introducing important changes to the adult further education funding system including the full devolution of the Adult Education Budget (AEB) to Combined Authority areas with devolution agreements by 2018/19 including the North East.
- 51 The AEB combines the previous Adult Skills Budget (non-Apprenticeships); the Community Learning and the Discretionary Learning Support funding streams.
- 52 Bringing the three funding streams together provides opportunities to develop more tailored programmes of learning locally, including accredited and non-accredited provision, to help those furthest away from learning and the workplace.
- 53 Members commented that the FE and skill reforms taking place will have significant implications for DCC and County Durham. It was suggested that members receive updates on: the impact of the Apprenticeship Levy and the statutory apprenticeship target for public sector bodies together with detail of the progress of the North East Area Based Review and the full devolution of the Adult Education Budget.

Recommendation 1

That the Council robustly analyses the impact of the introduction of the Apprenticeship Levy and the statutory apprenticeship target on Durham County Council and further apprenticeship opportunities in the county.

Recommendation 2

That Durham County Council monitors the progress of the North East Area Based Review and the full devolution of the Adult Education Budget within the context of future FE provision within County Durham.

5. Skill programmes/projects

Key findings:

- There are six main skills programmes in place at a regional and local level which focus on providing support to young people to increase their employability opportunities including: Generation North East; three local apprenticeship programmes and the DurhamWorks Programme.
- The County Durham Apprenticeship Programme is the local apprenticeship scheme for County Durham and has supported almost 1000 young people since 2011.
- The DurhamWorks Programme is the new EU funding programme for young people in County Durham providing £17.04m in funding directed at 16-24 year olds who are unemployed, inactive and resident in the county.
- Adult initiatives within the county include the Welfare Reform Initiative and various AAP projects including the Employability Mentoring Project.

5.1 Regional programmes

- 54 The review group received detail of two regional programmes Generation North East (GNE) and the Apprenticeship Growth Partnership.
- 55 Generation North East (GNE) is a regional programme which was introduced to provide additional employability support to young people (18-24), with the aim of helping young people into work. The programme establishes stronger working relationships with JCP, provides an opportunity to test local models of business engagement, to work with employers and increases opportunities for young people.
- 56 The North East Apprenticeship Growth Partnership is a group formed to take forward the increasing apprenticeship numbers across the North East. The Partnership was formed in April 2015 from the North East Apprenticeship Hub with representation from local authorities, NELEP, JCP, National Careers Service (NCS), Skills Funding Agency (SFA), GNE, business sector, business support bodies, the Association of Colleges and the Learning Provider Network.
- 57 The partnership is focused on driving up the number of apprenticeship starts, as well as growing the number of higher level apprenticeships delivered across the North East.

5.2 County Durham Apprenticeship Programmes

- 58 The County Durham Apprenticeship Programme (CDAP) is the main local apprenticeship programme for County Durham. It was launched in November 2011 to tackle the high levels of youth unemployment experienced in the county by incentivising businesses to create additional apprenticeship opportunities.
- 59 Since launching this programme in 2011, DCC has worked with over 450 employers, FE colleges, training providers, NAS, JCP and in the early stages the Coalfields Regeneration Trust (CRT) in order to promote the benefits of the apprenticeship route resulting in 971 apprenticeship starts to the end of June 2016.
- 60 Following feedback from employers, training providers and elected members, the criteria for the programme has been revised to increase the range of top up grants available to create new apprenticeship opportunities and to stimulate more Level 3 (L3) and above apprenticeships. The CDAP provides the following top up grants:
- £1,500 (top up grant) if young person is a resident of County Durham.
 - £1,500 (top up grant) for creation of an apprenticeship for the first time and paid on the first apprentice only.
 - £1,500 (top up grant) for creation of a L3 advanced apprenticeship.
- 61 Some training providers in the county have not made SMEs aware of the availability of the general top up grant which has resulted in the Service Grouping making a number of retrospective payments. Funding to support the programme is derived from a variety of sources with the major resource

coming from Economic Development cash-limit underspend/reserves and a number of the council's Area Action Partnerships (AAPs) with nine AAPs contributing from 2012-2015 a total of £252,095 to the programme.

- 62 The Service Grouping intends to promote the revised criteria and as part of this promotion will highlight to SMEs in the county the availability of the various top up grants.
- 63 In addition to the CDAP there are two further apprenticeship programmes: the Teenage Parent Apprenticeship Programme and the ICT Apprenticeship Hub Apprenticeship Programme.
- 64 The Teenage Parent Apprenticeship Programme is the result of a partnership arrangement between Public Health and the RED Service Grouping. The programme is a two year pilot which started in October 2014 funding apprenticeships for 30 Teenage Parents in the county.
- 65 The programme improves the outcomes for vulnerable teenage parents who live in the most deprived areas of the county. The model consists of two elements: a teenage parent support programme delivered through the One Point Service and an apprenticeship support programme. The programme is delivered in conjunction with the core apprenticeship offer with additional funding from public health providing an enhanced offer of financial support to employers (£4,500 over 2 years) plus up to £1,000 to support childcare and/or travel expenses paid in the first 3-6 months of the apprenticeship.
- 66 The ICT Apprenticeship Hub extends the ongoing programme of apprentice recruitment and progression within ICT services, increasing the opportunities provided by the programme and developing a larger group of ICT apprentices.
- 67 As part of the Hub proposal DCCs ICT Services are looking to set up an Apprenticeship Training Agency (ATA) which allows the council to manage apprentices who are working outside of the council's premises and undertaking work placements with employers as part of the apprenticeship programme.
- 68 The Review Group commented on the excellent partnership working in the development and delivery of the CDAP, the Teenage Parent Apprenticeship Programme and the ICT Apprenticeship Hub Programme.
- 69 Members highlighted the need for DCC to continue to be pro-active in promoting to SMEs in the county the availability of the various top up grants via the CDAP as this would encourage more SMEs to participate in the programme and provide more apprenticeship opportunities for young people.

Recommendation 3

That Durham County Council (DCC) via the Regeneration and Economic Development (RED) Service Grouping is pro-active in promoting with SMEs and training providers in the county the various top up grants available from the County Durham Apprenticeship Programme (CDAP) together with the availability of support to employers to assist in applying for the various available top ups.

Recommendation 9

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet including as part of this process the following:

- An update on the progress of the three local apprenticeship programmes (Teenage Parent Apprenticeship Programme, ICT Apprenticeship Hub Programme and the CDAP).

5.3 DurhamWorks Programme – Youth Employment Initiative (YEI)

70 The DurhamWorks Programme was developed to deliver the Youth Employment Initiative (YEI) in County Durham. The YEI is European funding to tackle youth unemployment across member states. County Durham is eligible for £17.04m in funding which is directed at 16-24 year olds who are unemployed or inactive and resident in the county. Funding cannot be directed at young people who are engaged in full-time education.

71 The programme has been developed following in-depth consultation and research undertaken with partners and young people to:

- Analyse local needs and opportunities;
- Identify best practice and gaps in existing delivery;
- Consider innovative ideas to address youth unemployment.

72 The DurhamWorks bid was approved by government in January 2016 and delivery of the programme commenced in April 2016. Originally YEI programmes were to be delivered from 2014-2018 however due to delays resulting from discussions between the British Government and the EU the DurhamWorks Programme will be delivered in 28 months. The various strands of the programme will be delivered by 20 delivery partners including CYPs (Progression and Learning, One-Point Service and Youth Offending Service) and RED Service Groupings (for detail of delivery partners see Appendix 2). The three strands of the programme are:

- Strand 1 – provides unemployed young people with individual guidance and support over a sustained period of time. There is additional resource to provide sustained 'wrap-a-round' support for disadvantaged and vulnerable groups such as Looked After Children and Care Leavers, young people who have SEND and young people known to the Youth Offending Service. Support is also provided to employers including help and advice to recruit young people.
- Strand 2 – provides specifically tailored programmes/activities to support vulnerable young people who have multiple barriers to their progression.
- Strand 3 – provides substantial volumes of employment engagement activity via Business Advisors targeting SMEs to identify and create jobs, apprenticeships and other work related opportunities. This strand also supports the development of social entrepreneurs and self-employment and creates jobs and apprenticeships with voluntary sector organisations.

- 73 The activities within the programme are targeted at 5,830 unemployed young people in the county aged 16-24 with the Department for Work and Pensions (DWP) setting the following outputs and indicators:

Durham Works Outputs

Output	Indicator
5830	Unemployed; long-term unemployed; inactive participants.
542	Participants who receive offer of employment, continued education, apprenticeship, traineeship upon leaving.
4910	Participants who are in education or training; gain a qualification or are in employment, including self-employment upon leaving.
875	Participants in continued education, training programmes leading to a qualification, an apprenticeship or a traineeship six months after leaving.
175	Participants in self-employment six months after leaving.

- 74 The Hanlon Data Management System is used by all delivery partners. Young people engaged on the DurhamWorks Programme are registered on the system and their progress tracked. The system also incorporates employer and vacancy tracking and produces a range of management information reports to assist with the performance management of the programme.
- 75 Members commented on the significant opportunities provided to young people in the county by the DurhamWorks Programme. However, the programme will be delivered in 28 months and whilst recognising that monitoring arrangements are in place members need to be kept updated on the progress, performance and delivery of the programme.

Recommendation 4

As part of the monitoring arrangements for the DurhamWorks Programme the Council ensures that the Economy and Enterprise Overview and Scrutiny Committee receive updates on the progress, performance and delivery of the programme.

5.4 Welfare Reform Initiative and DCC Employability Mentoring Project

- 76 Funding is available to support individuals who are the most disadvantaged by Welfare Reform in the county. This funding has been available since September 2014 and includes a wage subsidy of £2000 to encourage an employer to create an employment opportunity for a disadvantaged individual affected by Welfare Reform. This subsidy is split with a £1,000 paid after 3 months and the remaining £1,000 after 12 months.
- 77 A discretionary fund is available for individuals to access to contribute towards the costs of training and/or skills development that will help them enter employment. To April 2016 there have been 223 referrals of which 155 accessed employability support with 121 going into employment. A total of 77

wage incentive grants have been given totalling £102,000 together with 38 Discretionary Support Grants totalling £10,279.20.

- 78 The project co-ordinates a programme of pathways into employment enabling workless people to access opportunities and build the skills they need for sustainable employment. Engagement is also undertaken with local employers to identify staffing needs.
- 79 The project is delivered through outreach work which involves the provision of tailored 1:1 support to individuals helping to identify and overcome barriers to employment and find a pathway to sustained employment which is specific to the individual. The project currently covers the AAP areas of 3 Towns, BASH and Mid-Durham (for further detail of AAP projects see Appendix 1).

6. Role of Durham County Council in supporting skills development

- 80 As part of the review process members wanted to identify how DCC supports skills development in the county with activity currently spread across RED, CYPS and T&P Service Groupings.

6.1 Regeneration and Economic Development (RED) Service Grouping

Key findings:

- The RED Service Grouping delivers a number of skill projects with partners including: the DurhamWorks Programme; County Durham Apprenticeship Programme (CDAP), Teenage Parent Apprenticeship Programme; Welfare Reform Initiative; the Employability Mentoring Programme and GNE programme.
 - RED distributes a variety of grants including: AGE 16-24; grants for various Durham apprenticeship programmes and the Welfare Reform Initiative.
 - RED has a key role as a delivery partner in delivering the DurhamWorks Programme.
- 81 The Employability and Economic Development Teams in the RED Service Grouping deliver a number of time limited but complementary projects with partners including: JCP; DurhamWorks; National Apprenticeship Service (NAS); NCS; SFA; Credit Unions; Public Health; NELEP; NECA; CDEP; Business Education Board (BEB); business forums and the AAP's.
- 82 These partnership arrangements have resulted in the delivery of: DurhamWorks Programme, GNE Programme, the CDAP, the Teenage Parent Apprenticeship Programme, the Welfare Reform Initiative and the Employability Mentoring Programme.
- 83 RED and DCC procurement and planning now have policies in place to generate local employment and training opportunities from DCC procurement contracts and planning developments.
- 84 The Economic Development Team is a delivery partner for the DurhamWorks Programme delivering activities under strands 1 and 3 of the programme

providing 'wrap around' support to young people aged 16-24 and to employers in the county.

- 85 DurhamWorks funding has been used to support nine Youth Employment Advisors and six Business Advisors based in the Employability Team. Under the DurhamWorks Programme the YEAs will work with young people aged 19-24 to identify their needs and develop a programme of support, matching young people to the identified employment opportunities. The Business Advisors will be the first point of contact for business, providing detail of a recruitment and selection offer, possible funding availability and where training can be accessed.

6.2 Children and Young People's Services (CYPS) Service Grouping

Key findings:

Progression and Learning Service

Improving Progression of Young People Team

- The Improving Progression of Young People Team supports young people who have special educational needs and disabilities to make a successful transition into post-16 education, employment and training.
- The team manages and co-ordinates the tracking of young people 16-18 years of age identifying young people who are NEET and provides a range of support and activities to schools and colleges for them to meet their statutory responsibilities in relation to Careers Education, Information, Advice and Guidance (CEIAG).

Durham Education Business Partnership (DEBP)

- Offers a range of activities which can be purchased by schools including: work experience placements; work related learning activities and career exhibitions.

County Durham Adult Learning and Skills Service (ALSS)

- Offers a range of courses to suit the needs of individuals locally.
- Manages and co-ordinates delivery of the DurhamWorks Programme.

One Point Service

- The One Point Service works closely with ALSS to support the delivery of programmes including Community Learning delivered from One Point venues.
- The Service works in conjunction with other services to deliver learning programmes for specific groups of young people such as Teenage Parents.

Progression and Learning Service

Improving Progression of Young People Team

- 86 The Improving Progression of Young People Team manages statutory responsibilities on behalf of the local authority to increase the participation of young people in learning. This involves managing and co-ordinating the tracking of young people, ensuring those young people who are NEET (Not in Education, Employment or Training) are identified and supported and reporting performance to the Department for Education on a monthly basis.

The team supports young people who have special educational needs and disability (SEND) to make a successful transition into post-16 education, employment and training. The team also has a key role in commissioning further education provision for high needs students aged 16-24.

- 87 The team provide strategic leadership on policy developments relating to the provision of CEIAG (Careers Education, Information, Advice and Guidance) providing a range of support and activities to schools and colleges for them to meet their statutory responsibilities including: professional development for a CEIAG network; a newsletter that provides updates on national and local developments and the Help4Teens website for young people, incorporating a 'Planning Your Future' guide which provides information on the qualifications and learning routes available for young people aged 13 plus and 16 plus.
- 88 The Improving Progression of Young People Team engages with a number of partners including: schools; FE colleges; the North East Learning Provider Network; NECA; North East LEP, JCP; CDEP; RED Service Grouping and the One Point Service. This engagement ensures that the CEIAG provided by the team to schools and colleges is current and informs young people of all career options available including apprenticeship and vocational programmes together with detail of where further CEIAG support and information is available.

Durham Education Business Partnership (DEBP)

- 89 Durham Education Business Partnership (DEBP) sits within the Improving Progression of Young People Team and delivers careers guidance, work related learning and work experience to schools. DEBP offers a range of activities which can be purchased by schools including: a comprehensive work experience offer; work related learning activities to support skill development; careers exhibitions and mock interviews with employers.
- 90 In 2014/15 DEBP worked with 18,771 students, arranged 1,270 work experience placements (working with 31 schools of which 26 are in County Durham), delivered 181 work related education activities, enlisted 1,138 Business Ambassadors, delivered apprenticeship awareness sessions in 22 secondary schools and delivered 1,465 one to one careers interviews working with 12 schools in the county.
- 91 The DEBP engages with a number of partners including RED, ALSS, Education Development Service, FE colleges, local employers and schools in both the development and delivery of CEIAG. This engagement ensures that the support provided by the DEBP to young people is current, identifies growth employment sectors and gives detail of the various career opportunities and learning options available.
- 92 It was suggested by members that DCC needs to be pro-active with schools in promoting the importance of providing good quality CEIAG together with an opportunity for a meaningful work experience placement with a local employer and continues to monitor take up of provision by schools.

Recommendation 5

That Durham County Council is pro-active in promoting with schools the importance of providing young people with good quality Careers Education, Information, Advice and Guidance (CEIAG) together with an opportunity for meaningful work experience placement with local employers, and continues to monitor take up of provision by schools.

County Durham Adult Learning and Skills Service

- 93 County Durham Adult Learning and Skills Service (ALSS) provide learning opportunities for adults, employers and the community. The service offers a range of courses to suit the needs of individuals and is an approved provider for City and Guilds and the Institute for Leadership and Management. The range of courses on offer include:
- Vocational qualifications in: Business Administration; Customer Service; First Line Management; Health and Social Care, IT Application Specialist, Retail, Team Leading and Teaching Assistant qualifications.
 - Apprenticeships at both Level 2 and Level 3 to employed people aged 16 plus in the following sector areas: Business and Administration; Customer Service, First Line Management, Health & Social Care, IT Application Specialist, Retail, Team Leading and Teaching Assistant qualifications.
 - Functional Skills via maths, English & ICT courses to support individuals with basic skills from Entry Level to Level 2.
 - Supported Employment, supporting people with disabilities and/or a long-term health conditions in finding and retaining employment.
 - English for speakers of other languages providing practical English to enable better integration.
 - Community learning delivered in over 100 venues across County Durham.
 - Traineeships to vulnerable groups of young people e.g. Care Leavers.
- 94 In 2014/15 the ALSS delivered learning to 6,084 individuals with a 97% retention rate and a 98.6% achievement rate (ALSS performance targets). ALSS was graded 'good' by Ofsted with 'outstanding' apprenticeship provision when inspected in 2015.
- 95 ALSS undertakes extensive engagement with partners including RED, T&P (AAPs), CYPS (One Point and DEBP), CDEP, JCP, FE colleges, the voluntary sector and private training providers to develop and deliver various skill support programmes in the county.
- 96 This engagement provides ALSS with detail of the skill needs in local communities and the skill requirements of local employers enabling them to develop and deliver programmes which meet local needs. Examples of such programmes include: English and Maths for Work and Life; ICT for Users; and Preparation for Work.
- 97 ALSS is also responsible for the design, management and delivery of the DurhamWorks Programme.

One Point Service

- 98 The One Point Service works very closely with ALSS to support the delivery of programmes including Community Learning programmes delivered from One Point Service venues.
- 99 The Service also works in conjunction with other services to deliver learning programmes to specific groups of young people such as Teenage Parents. One Point Advisors provide advice, guidance and support to individual young people, focusing on those who are NEET, working with young people to identify their career aspirations, assess their employability/skill needs and engage them in appropriate learning.
- 100 The One Point Service is a DurhamWorks Programme delivery partner with the 10 DurhamWorks Transition Advisors located in the One Point Service supporting young people aged 16-18 through the programme.

6.3 Transformation and Partnerships (T&P)

Key findings:

- Eight AAPs currently having employment and/or training included in their top three priorities for 2015/16.
 - The largest share of AAPs Area budget (£5.7m from 2012) has been spent on projects under the 'Altogether Wealthier' theme with £1m spent directly on 74 skill based projects across all AAPs (for examples of AAP projects see Appendix 1).
- 101 The Transformation and Partnerships Service Grouping supports skill development by working in partnership to develop and deliver local projects via the Area Action Partnerships (AAPs) and strategic projects such as the Welfare Reform Initiative within the county (for further detail of the Welfare Reform Initiative see Page 18).
- 102 County Durham has 14 AAPs covering all areas of the county. The AAPs focus in engagement and empowerment through the delivery of high quality project interventions, giving local people and organisations a say in how services are provided.
- 103 Annually, AAPs identify their priorities with the 'Altogether Wealthier' theme becoming a priority in 2012 due to the impact of welfare funding changes. Currently eight AAPs have employment and/or training included in their top three priorities for 2015/16.
- 104 Members were informed that the largest share of AAP Area Budget (£5.7m) has been spent on projects/initiatives under the 'Altogether Wealthier' theme with £1m of AAP Area Budget spend going directly to 74 skill based projects across all AAPs. Data shows that for quarter 3 2015/16 the trend is continuing with £184,000 allocated to the 'Altogether Wealthier' theme.
- 105 The AAPs successfully develop and deliver a range of skill projects/initiatives across the county with various partners including: RED and CYPs Service

Groupings, JCP; NAS; Enterprise Agencies; schools, academies and FE colleges; employers and various voluntary sector groups in the county (for a summary of the various AAP skill projects developed and delivered by the 3 Towns, Derwent Valley and East Durham AAPs see Appendix 1).

- 106 The impact of Universal Credit, zero hour contracts and 'underemployment' will ensure that the 'Altogether Wealthier' theme remains an AAP priority with a project already in development 'Wheels to Work Scheme' to be piloted across Chester-le-street, Stanley and Mid Durham AAPs.
- 107 Members were provided with examples of various AAP projects focusing on skills development including a video produced on the Thomas Kenny VC Commemoration Event by East Durham College media students. The review group commented on the excellent quality of the video and suggested that it was shared with all AAPs providing an opportunity to show case the work of the students and to highlight the opportunities provided to the students by this community focused project.
- 108 The review group commented on the significant impact of AAP projects in supporting skills development in the county. Members continued by commenting that:
- AAPs need to continue to engage with local employers via Business Durham to ensure that AAP projects continue to meet their current and future skill requirements and that successful skill projects are shared across the AAP network.
 - The DurhamWorks bid presents significant opportunities for young people in the county. In order to maximise the opportunities available discussions need to continue between CYPS and AAPs to identify any AAP skill projects/initiatives that contain suitable elements to complement the DurhamWorks Programme.

Recommendation 6

That the Area Action Partnerships (AAPs) continue to develop local skill projects and initiatives and where appropriate share across the AAP network and work with the Children and Young People's Services Service Grouping to determine whether any elements of individual AAP projects can be used to complement the DurhamWorks Programme.

Recommendation 9

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet including as part of this process the following:

- A summary of AAP activity currently undertaken across the county focusing on skills development.

7. Role of key partners

7.1 National Careers Service (NCS)

Key findings:

- The National Careers Service (NCS) provides free impartial IAG to anyone over the age of 19 (18 if they are a JCP customer or offender).
 - The NCS has identified that there are few referrals from disability groups to the service and are in the process of developing links with DCCs Inclusion Team.
- 109 The National Careers Service (NCS) provides free and impartial Information Advice and Guidance (IAG) to anyone over the age of 19 (18 if they are a JCP customer or offender). All of the Careers Advisers are qualified to a minimum Level 4 with many holding Level 6 qualifications. The service delivers face to face sessions, group sessions and provides a full range of support from their phone service – ‘Careerline’ and from their Website.
- 110 NCS is responsible for delivering ‘Supporting Inspiration’, a new service which facilitates the brokerage between schools, colleges and employers. It aims to complement the work already being delivered in schools and colleges by assisting schools in meeting their statutory responsibilities for careers provision.
- 111 The initiative assists young people to develop their appreciation of the world of work, understand the local labour market and raise their awareness of opportunities and progression pathways whilst providing the opportunity for employers to educate young people about their sector and nurture future talent. The initiative has resulted in 19 schools and colleges in County Durham engaging with employers.
- 112 NCS has identified that there were few referrals from disability groups to the service and are in the process of developing links with DCCs Inclusion Team.

7.2 Bishop Auckland FE College (BAC) and New College Durham (NCD)

Key findings:

- Both colleges develop their curriculum through engagement and working with partners and employers at a regional and local level, and have identified opportunities to increase the number of apprenticeships, higher education students and 16 year old school leavers.
 - The colleges have designed bespoke training programmes for employers including: Black and Decker; Beamish Museum and Auckland Castle.
 - The colleges identified a number of future challenges; the need for succession planning; the need for Labour Market Information (LMI) to be consistent; the potential impact of Area Based Reviews and the Apprenticeship Levy.
- 113 Bishop Auckland FE College (BAC) is a medium sized college based in the South West of the County with training courses for engineering and manufacturing delivered at Newton Aycliffe by South West Durham Training (SWDT). New College Durham (NCD) is a large college with its main site at

Framwellgate Moor on the outskirts of Durham City, a technology centre at Belmont, NHS Clinics at Bishop Auckland and Newton Hall and links to the Welding Academy at Peterlee.

- 114 Both colleges curriculum is developed through engagement and working with partners and employers. BAC currently engages with 600 and New College 800 local businesses. Both colleges also work and engage with various partners including: DCC; social housing groups, JCP and Work Programme Providers, NCS, employer forums, Community Associations, Durham Business Club, CDEP and Employability Networks. At a regional level the colleges engage with North East Chamber of Commerce (NECC), NELEP and the Association of Colleges.
- 115 Both colleges design bespoke training programmes for employers including: Black and Decker, Beamish Museum, Durham and Darlington Fire and Rescue and Auckland Castle (Auckland Academy).
- 116 Both BAC and NCD identified a number of future issues and challenges including: the need to succession plan and ensure training programmes are in place to meet employers future skill requirements; the need for Labour Market Information (LMI) to be consistent across the sector with providers using the same Labour Market tools such as EMSI software (Economic Modelling Specialists Intl - provides employment data and trends); the potential impact of Area Based Reviews and the Apprenticeship Levy; schools failing to promote all career options to young people including apprenticeships and vocational and the high proportion of learners who lack basic employability and core skills such as maths and English requiring more intensive and bespoke support.
- 117 The colleges identify a number of future opportunities including government increasing the number of apprenticeship to 3 million by 2020 with both colleges having excellent apprenticeship success rates and ranked as high performing regionally and nationally. The colleges will continue to grow their market share of 16 year old school leavers, apprenticeships and higher education students and will continue to look for opportunities to develop new partnerships.
- 118 As part of the review process the group visited NCD and South West Durham Training (provides Engineering and Manufacturing based training programmes for BAC) (for detail of visits see Appendix 4).
- 119 The Review Group commented that partners in the county need to use the same Labour Market tools to ensure consistency in the data generated and used for succession planning purposes.

Recommendation 7

That key partners within the county be encouraged through the County Durham Economic Partnership (CDEP) to use the same labour market tools and share data so that there is a consistent approach to predicting employer's future skill requirements.

7.3 Business and Education Board (BEB)

Key findings:

- The BEB was established to give business and education engagement high profile across County Durham.
 - In July 2015 BEB developed an event 'Get the Buzz' week which included a series of employer roadshows delivered to schools in County Durham to help students learn more about the world of work.
- 120 The BEB gives business and education engagement a high profile in the county, facilitating dialogue between the sectors with a view to building lasting relationships.
- 121 To encourage dialogue the BEB developed a series of events to bring schools/colleges and businesses together. One event in July 2015 'Get the Buzz' week (supported by Business Durham) involved a series of employer roadshows delivered to County Durham schools which were designed to help students learn more about the world of work and the various opportunities available.
- 122 'Get the Buzz' week resulted in 17 businesses participating in the event together with nine schools in the county resulting in the engagement of 3,363 pupils. Feedback from the event from both schools and business was very positive however the event was a one-off as future funding could not be secured.
- 123 The members of the Review Group highlighted the need for the BEB to use the success of 'Get the Buzz' week to sustain and increase dialogue between the sectors and to work with key partners in the county to identify and develop future opportunities for business and education engagement.

Recommendation 8

That the Business and Education Board build upon the success of 'Get the Buzz' week by continuing to work with partners to identify and develop future opportunities for business and education engagement across County Durham.

Recommendation 9

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet including as part of this process the following:

- A summary of activity undertaken to develop further opportunities for business and education engagement.

7.4 County Durham Economic Partnership (CDEP) and the Business, Enterprise and Skills Working Group (BES WG)

Key findings:

- The CDEP is one of five thematic partnerships within the County Durham Partnership and provides linkages to the NELEP and the NECA.

- The BES WG is a working group of the partnership with a key role in co-ordinating business engagement in the county and in the development and delivery of the County Durham Skills Strategy.
- 124 The CDEP is one of five thematic partnerships within the County Durham Partnership with has over 60 public, private and voluntary and community sector organisations making up the membership. The Partnership provides linkages to the NELEP and the NECA via DCC, influences the allocation of EU funding and supports linkages and partnership working across the county.
- 125 The members of the CDEP serve on the various partnership Working Groups including the Business, Enterprise and Skills Working Group (BES WG). A key role for the group is involvement in the development, co-ordination, monitoring and delivery of the County Durham Skills Strategy. The strategy aims to improve the skills of working age residents within the county. All partners in the CDEP are signed up to the Skills Strategy.
- 126 The BES WG also has a role in co-ordinating business engagement. Over 90% of the business base in the county is made up of SMEs and micro-businesses which makes engagement with the majority of the business base challenging particularly when trying to identify future skill requirements. SMEs and micro-businesses do not have the resources to produce a forward skills plan.
- 127 In response, the BES WG has developed a Business Protocol. The protocol ensures intelligence, contacts and duplication of activity is shared and avoided to allow businesses to access the best level of service available and in relation to providers to ensure delivery through the appropriate targeting of limited resources. The protocol benefits both skills development and business through the better understanding of the future skills requirements of business across the county.
- 128 The Review Group commented that the development of the Business Protocol by the BES WG would significantly add to the data already available in the county to predict future skill requirements particularly in relation to SMEs and micro-businesses (see recommendation 7 page 26).

7.5 Infinite Learning and Development (ILD) and South West Durham Training (SWDT)

Key findings:

Infinite Learning and Development (ILD)

- ILD is a private training provider with training facilities and a separate welding academy at Peterlee offering a range of training opportunities.
- The welding academy was established by ILD to meet the skill requirements of Caterpillar (CAT) a local employer based at Peterlee.
- Apprentices receive four month intensive welding training up to industry standards as part of the apprenticeship programme.
- The apprenticeship programme has been extremely successful with 92% of apprentices retained.

South West Durham Training (SWDT)

- SWDT is a private training provider based on Aycliffe Business Park.
- Since 2014 SWDT have worked in strategic partnership with BAC to develop and deliver a portfolio of apprenticeship and training programmes with over 80% of students achieving apprenticeships.
- SWDT deliver BTEC programmes for Woodham Academy, Staindrop School and Ferryhill Business Enterprise College.

- 129 ILD have facilities at the Caterpillar (CAT) Learning Centre and a separate welding academy on the North West Industrial Estate, Peterlee. SWDT is based in large, modern built premises, the CORE (Create Opportunity, Realise Excellence) on Aycliffe Business Park.
- 130 ILD offers a range of training opportunities at both facilities including apprenticeships, workplace qualifications, industrial services, pre-employment courses and a Simulated Working Environment (SWE). SWDT provides access to bespoke and accredited vocational training and apprenticeships developed with local manufacturing and engineering companies.
- 131 The ILD welding academy was established to train young people to the industrial standards required by Caterpillar (CAT) and some of their suppliers. The Academy provides a one-stop-shop for training with trainees undergoing intensive training for four months at the end of which they will have completed a Diploma in Fabrication and Welding Functional Skills.
- 132 Following the four months in the welding academy the trainees move to the shop floor for a short period of 'on the job' training where they are supported by mentors to complete the NVQ element of the Level 2 Apprenticeship and further welding qualifications. The welding academy also offers programmes that deliver training courses and qualifications which run from one to five days to help improve the skills of employees from local companies.
- 133 In the last three years, the welding programme has delivered 57 'Junior Welders' for CAT of which after one year, 92% have been retained on an agency contract. It was explained that over 50% of those retained had returned to complete Level 3 apprenticeships. Discussions are taking place between ILD and Caterpillar to use this model of apprenticeship programme to provide a one year apprenticeship for fitters.
- 134 In February 2015 the Welding Academy, the apprentice programme and the partnership between ILD, CAT, DCC and New College, Durham was recognised by the Science, Engineering, Manufacturing and technologies Alliance (SEMTA) as a finalist in the National Training Partner of the Year Awards held in London.
- 135 Since 2014, SWDT has worked in a strategic partnership with BAC with SWDT retaining its status as a separate company within the college's structure. BAC and SWDT working jointly to develop a portfolio of vocational progression routes. SWDT also deliver apprenticeship programmes in partnership with Darlington and Middlesbrough colleges and engage with a number of local schools delivering BTEC programmes for Woodham Academy, Staindrop School and Ferryhill Business Enterprise College.

- 136 SWDT currently offers an extensive range of apprenticeships programmes including: tool-making/machining; electrical/mechanical maintenance; and fabrication and welding. The apprenticeship programmes has a high success rate with over 80% of students achieving apprenticeships.
- 137 SWDT delivers bespoke training programmes for local employers via its commercial courses such as: Fork-lift truck; manual handling; electrical; health and safety; hydraulics and pneumatics and robotics and automation; lean manufacturing and quality assurance.
- 138 SWDT has identified a number of future opportunities including: an increase in local employers wanting bespoke commercial training and apprenticeships (currently delivering training programmes for Hitachi Rail Europe and EDF); continuing to develop its relationship with local schools and to develop and deliver higher level apprenticeships (HND level) in 2017.
- 139 The Review Group visited ILD on 18 May and SWDT on the 2 June 2016 (for detail of the visits see Appendix 4)

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Summary of projects undertaken within Area Action Partnerships

3 Towns AAP

1. The 3 Towns Partnership has worked on the priority of employment and job prospects, education and training for the last five years and has invested over £185K of Area Budget in a range of projects including:
 - **Social Justice Pilot** was launched in 2014 with the aim of improving welfare and wellbeing outcomes for customers receiving DWP benefits in crook, especially those who are vulnerable and or have particularly challenging circumstances.
 - **DCC Employability Mentoring Project/** provides tailored support for unemployed people living in the 3 Towns area and was launched in 2011. The project provides a co-ordinated programme of pathways into employment, enabling workless people to access opportunities and build skills that lead to sustainable employment and work with local employers to identify staffing needs to help fill vacancies from the target group (unemployed residents of the 3 Towns AAP who at registration are not part of the work programme). From 2012-2015 the project has achieved: 546 referrals to the programme; 454 one to one mentoring; 214 into employment; 66 into self-employment; 125 in employment; 106 into training; 31 volunteers/work placements and 23 apprenticeships.
 - **Inspiring young people and securing their futures** is a project developed from the relationship between the 3 Towns Partnership and Parkside Academy which provides a set of bespoke careers education events to offer extra support to pupils on top of the schools statutory careers requirements. These events are in the form of off timetable days that enable pupils to talk to both local and regional employers, obtain useful skills and knowledge by taking part in mock interviews and finding out key careers guidance information that will help them find the right employment pathway post 16. The project to date has delivered: 4 advice and guidance sessions; an entrepreneurial session for year 10 pupils; a post 16 parents evening for year 11 with a variety of employers in attendance and 2 careers based sessions delivered by DCC's Education Business Partnership to year 8 and year 11 pupils. To date 470 pupils have benefitted from the project.
 - **South Durham Enterprise Challenge** has been funded for two years in the 3 Towns Partnership area. The project aims to motivate and build self confidence in young people through a programme of skills development and enterprise and engineering activities. In 2012, the project took place with Parkside Academy, Teesdale School and Wolsingham School. In 2013 4 AAP's came together to fund the 2013 Schools Enterprise and Engineering Challenge bringing students from four schools into contact with employers and the workplace while working on a design and engineering project.
 - **Training & Preparing for Employment (Young People)** project aims to train and upskill around 20 local young people interested in the sports industry/sector. DCC's Dales Sport & Physical Activity Development is working across the 3

Towns locality with community sports clubs, youth and community groups, schools and colleges to identify appropriate candidates to offer training and voluntary experience to give the young people a much greater opportunity of employment either full-time, part-time, apprenticeship or casual session work. Those young people accepted onto the project can then access appropriate coaching courses followed by a further period of 10 hours voluntary work within a sports club or community setting.

- **Willington Job Club – Willington Community Action** is a community based job club with the aim of helping local people to become more employable. The project includes functional skills, how to write a covering letter and CV, money management skills as well as opportunities to gain qualifications in subjects such as health and safety and food hygiene.
- **Computer Equipment Renewal – Tow Law Community Association** is a project replacing existing computer equipment to bring the computer suite at Tow Law Community Centre up to date to enable the delivery of training in I.T and other subjects provided by DCC's Adult and Skills training service.

Derwent Valley AAP

2. Derwent Valley partnership has tackled Employment, Education and Training since 2012. During this time, the partnership has helped to support and deliver a range of related projects and activities including:
 - **Derwent Valley Enterprise Clubs** are enterprise clubs designed and developed to encourage and support local people considering enterprise as an employment option. The clubs took the format of informal gatherings featuring speakers from the local business community as well as mentors/business coaches (£8,500 funding – match funding £35,000).
 - **Engineering Challenge** continues to raise student's aspirations by providing an awareness of the potential for a career in engineering or manufacturing. Participating students undertook a competitive challenge to design and manufacture electric cars and mechanical transporters to the engineering specifications provided (£5,500 funding – match funding £20,000).
 - **Routes into employment** is a project which has a number of elements aimed at supporting the development of skills and accessing employment. The project set up Construction Skills Certificate Scheme (CSCS) card pre-testing training and a public CSCS card testing centre locally. The project offers a particular focus on those who fall outside the eligibility of other training, longer term unemployed (six months plus), 16/17 year olds and those with health disabilities which included providing work placements, support with job searches, developing CV's, interview preparations, confidence building and raising self-esteem making individuals more job ready (£8,000 funding – match funding £11,123).
 - **Consett Swimming Club Coaches** project supported Consett Amateur Swimming Club (CASC) to develop the swimming skills of children and swimmers of all ages to national NPTS standards by developing Level 1 coaches up to Level 2 (£6,000 funding).

- **Business Adviser Project** provides a face to face business support service designed to work directly with business owners with a view to helping them grow to create employment opportunities and to maximise the support services and resources that are available to them (£10,000 funding).
- **Able, Gifted and Talented Challenge Programme** is an activity which aims at challenging and stretching able, gifted and talented students at Consett Academy aged between 11-18 years. A total of 220 students have benefitted from the programme (£5,178 funding – match funding £250).
- **Derwentside Valley Skills Audit** was undertaken in partnership with over forty local employers which provided an overview, giving a holistic picture of the area's employment and skills level which will be used to create a skills and employability action plan (£2,900 funding).
- **Derwent Valley Apprenticeship Scheme** builds on the success of the previous scheme in 2012 and will create a further 20 x 12 month apprenticeship opportunities in Derwent valley with an emphasis upon higher level skills and qualifications (£16,500 funding – match funding £30,000).
- **Security industry Authority (SIA) Licence and Construction Skills Certificate Scheme (CSCS)** two training courses are available and offered for anyone unemployed, aged 19 plus living in the area (£8,490 funding – match funding £21,496).
- **STEM Careers and Job Event** is a one day event involving local and regional employers, Further and Higher Education colleges for students from across North Durham to increase their awareness of the wide range of local and regional employment opportunities linked to STEM (Science, Technology, Engineering and Maths) areas and entitled 'I didn't know that these jobs existed' (£3,000 funding).

Moving forward the partnership through the Employment, Education and Training Task Group, a strong emphasis is being placed on supporting the development of higher level Science, Technology, Engineering and Maths (STEM) skills/qualifications for young people in the fields of creative industries, financial, professional and business services, digital industries and life sciences. This focus reflects the proposed approach of the North East Combined Authority Economic and Regeneration Advisory Board.

Two emerging projects that the partnership is looking to develop: the STEM Employment Engagement Manager post and a Business Growth Skills Academy.

- **STEM Employment Engagement Manager** – the Task Group is currently working with Consett Academy to develop a part-time STEM Employer Engagement Manager post 2 days per week to be provided at Consett Academy.

The aim of the project is to raise young people's (11-18 years of age) awareness of the world of work; raise young people's aspirations; support young people to understand the opportunities the STEM sector represents in the local and regional labour markets; challenge aspirations, stereotypes and

misconceptions about employment, particularly in the STEM sector. The project is planned to start in April 2016.

- **Business Growth Skills Academy** –the aim of this pilot project is to accelerate business growth, improve management skills and deliver job creation. The project consists of a skills training programme aimed at managers and business owners who have a level of ambition, capacity and capability to improve and grow their businesses but need extra training and support to plan and implement their own growth programme. The project will train participants in recognised business growth skills, followed by a period of mentoring to support them with implementation. Each business will participate in three training workshops followed by twelve hours of 1-2-1 mentoring. The project will create 8 additional jobs locally, with 8 businesses demonstrating improved capacity and performance.

East Durham AAP

3. Job Creation, Training and Education has been one of the top priorities for East Durham AAP since 2009. Working together with key stakeholders including DCC Employability Team, local businesses, schools and colleges, training providers and residents, East Durham has delivered a wide range of projects to tackle the barriers that prevent access to education training or employment opportunities. This work had been supported by a total investment of £141,831 (Area Budget) and £193,817 (Neighbourhood Budget). Each project has been developed to address local need and skill gaps. Examples of projects include:
- **Targeted Apprenticeships** – it was identified that an aging work force was an issue for a number of local industries, and whilst there was a focus from the National Apprenticeship Organisations on engineering, retail, administration, the voluntary sector were finding it difficult to offer opportunities for young people. The DCC Employability Team, working with partners identified not for profit organisations that would create 7 new apprenticeship/ job opportunities within the community voluntary sector. In order to ensure that the Programme was flexible and as inclusive as possible the DCC Employability Team worked with Jobcentre Plus to engage with their clients.
 - **Family Learning** – the aim of the project is to provide family learning opportunities and address the issues of access to learning. The project supported parents to engage in the learning process with their children by providing family learning activities. The focus of this project was to target those families experiencing intergenerational unemployment and engage families as a unit in the first step towards more structured and accredited training.
 - **Thomas Kenny VC Commemoration Event** - East Durham AAP has introduced a number of projects that challenge existing stereotypes and encourage individuals to look at all opportunities. As part of the Thomas Kenny VC project, East Durham College media students were commissioned to record the event. They were able to use their skills and knowledge gained on their course, working closely with the BBC and Tyne Tees news teams. This project increased the student's aspirations, will significantly contribute to their qualifications and support their applications to University and employers. The project was funded by Heritage Lottery funding (£6,600).

- **Community Job Clubs** - the Community based Job Clubs were introduced to minimise both the financial and health impact on individuals and families of being unemployed. Based in Community Buildings across East Durham, the Community Job Clubs were launched in June 2015. There are now Job Clubs in ten communities in East Durham AAP area which are run by trained volunteers. There is a regular weekly attendance of nearly 200 residents across the 10 clubs with 26 people to date securing employment.

DRAFT

DurhamWorks - Delivery Partners

SHAID (Single Homeless Action Initiative Durham)	Strand 2
Consett YMCA	Strand 2
Springboard Sunderland Trust	Strand 2
Citizens Advice County Durham	Strand 3
Cornerstone Supported Housing and Counselling	Strands 2 & 3
Jack Drum Arts	Strand 2
Social Enterprise Acumen CIC	Strand 3
Sunderland, Chester le Street and Fencehouses YMCA	Strand 2
Groundwork NE and Cumbria	All strands
Gateshead College	Strands 2 & 3
County Durham Community Foundation	Strand 3
Foundation of Light	Strands 2 & 3
Amacus Limited	Strands 2 & 3
TIN Arts Limited	Strand 2
East Durham Business Service	Strand 3
Dame Kelly Holmes Trust	Strands 2 & 3
Durham County Council – Progression and Learning	Strand 1
Durham County Council – One Point (and delivery on behalf of Looked After Children and Public Health)	Strand 1 & 2
Durham County Council – Regeneration and Economic Development	Strands 1 & 3
Durham County Council – County Durham Youth Offending Service	Strands 1 & 2

Employers

Dyer Engineering Limited (DEL) and the Esh Group

1. Dyer Engineering Limited is based in the North of the county (Annfield Plain and Harelaw) and was established in 1977 and provides a range of services including: design services; fabrication and welding; specialist coatings and assembly; rapid response and computer numerical control (CNC) engineering and traditional machining.
2. The Esh Group has its Head Office on the Bowburn North Industrial Estate near Durham City and operates in a number of sectors including: housing and regeneration; civil engineering; general and specialist building; fencing and landscaping; plant hire; recycling and energy solutions.
3. Both companies recognised that they had an aging workforce (DEL 60% of skilled workforce over age 55) and that they needed to succession plan and, establish suitable apprenticeship programmes to ensure that they 'grow' the skills within their own workforce to replace retiring members of staff.
4. The companies have dedicated resources to promote and manage the various apprenticeship programmes. In relation to promotion both companies engage with schools, colleges and universities in the county highlighting opportunities and identifying the wide range of career pathways (including graduate opportunities) available in both companies. Type of engagement undertaken includes:
 - Attendance at school and FE colleges career days, events and fairs.
 - Providing work experience opportunities, specific projects working with young people (Employability Skills Programme, Future Business Magnates and STEM Careers Event), host visits and mock interviews.
 - Websites providing detail of apprenticeship and graduate opportunities available and career pathways.
 - The Esh Group also have handouts which detail the opportunities within the various sectors of the company.
5. The Esh Group engage with primary schools via the 'Get into STEM' initiative and has invested over £5,000 to develop a 'building and engineering' focused STEM kit. The kit will be deployed in approximately 72 schools for up to two weeks over the course of the 2015/16 academic year. The Esh Group estimate the STEM activities will engage over 5,000 students. In 2015, the STEM kit was deployed in 4 primary schools in Durham (Framwellgate Moor, Our Lady Queen of Martyrs R.C, Esh Winning and Witton Gilbert) engaging 135 students from Reception to year 1.
6. Both DEL and the Esh Group commented that teachers do not have the knowledge of the skill requirements of the various sectors and the career pathways available to be able to advise young people of current and future opportunities within their companies for example in the Esh Group a kerb layer has a career pathway which can lead to a site manager. Engagement by the

companies with secondary schools and FE colleges provides the opportunity for good quality IAG to be given to young people for them then to make an informed decision.

7. DEL provide opportunities for teachers to undertake work experience with the company so that they are informed about the various career options/pathways in the engineering sector and can provide young people with quality IAG. Teachers who have undertaken work experience have commented on how much better informed they are on the requirements and opportunities within the engineering sector and can provide better quality IAG to students.
8. Members commented that the need for young people to be provided with good quality IAG had been highlighted in a number of meetings and would feature in the recommendations of the Review Group.

Visits

New College Durham – Visit 25 April 2016

- 1 On the 25 April 2016 members of the review group visited New College Durham where they were greeted by the Principal, John Widdowson and Vice-Principals Mark Anderson and Mo Dixon. The Principal highlighted that NCD works in partnership with DCC, collaborating on various projects together with other partners in the county such as Infinite Learning and Development (ILD) in terms of the Welding Academy at Peterlee.
- 2 Approximately 22% of the school leaver cohort in County Durham attend NCD providing an alternative to staying on at school in the Sixth Form with a different culture to school, more akin to university or the workplace with students treated as adults and expected to maintain high standards of behaviour and timekeeping.
- 3 NCD offers students the opportunity to study for AS/A-Levels however the majority around 90% were studying for technical and professional qualifications with a number of students becoming entrepreneurs having successfully completed vocational programmes in catering, hospitality, painting and decorating, hairdressing, plumbing and electrical testing. NCD also provide ESF work related programmes for the unemployed via a number of partners based in the local community and response to redundancy programmes.
- 4 It was highlighted by NCD that one of the major challenges for partners within the county is to identify future skill needs. NCD works with partners and employers, approximately 1,000 annually (in terms of apprenticeships, work experience and work placement) providing an opportunity to discuss and identify their skill requirements whilst also providing opportunities for young people in the work environment. NCD is working with Atom Bank identifying the skills they currently need and also their future skill requirements, to grow apprentices locally to support their future skill needs going forward. It was suggested by NCD that partners need to use the same Labour Market tools to predict future skill requirements.
- 5 Data is captured by NCD at the end of each academic year on the destination of students (continue in further education or training, into employment, which sector employment is, apprenticeships etc.) with the destination then tracked/monitored for a further five years. The data is then used by NCD to remodel programmes if required to reflect those destinations identified.
- 6 The college is currently undergoing building works totalling £5m which includes the reconfiguration of the Higher Education building to create more classrooms and breakout areas, the creation of a Creative and Digital Centre, a creative hub with industry standard design and media facilities and an advanced Manufacturing and Engineering Centre to respond to the regions need for skilled workers in the sectors.

- 7 NCD publicises the range of programmes via its website including social media, education networks including schools in the county, various employer networks and forums, links with the NECC, Business Durham and career events held on a monthly basis (first Tuesday of every month).
- 8 The Principal (John Widdowson) and Head of Marketing and External Partnerships (Dawn Fairlamb) then took members on a visit of the main college building which included the following areas: The Le Nouveau Restaurant, where members of the review group sampled refreshments including scones prepared by the students with a chef from the Marriot Hotel in attendance to give instruction; kitchens and facilities for SEND students; engineering and motor vehicle maintenance areas; joinery and bricklaying areas; gas, plumbing and electrical testing areas; painting and decorating; the Sixth Form Centre; health and social care; the Creative and Digital Centre; hair and beauty salons and the performing arts provision.
- 9 Members of the review group commented on the outstanding facilities and the wide range of courses and programmes on offer including: FE vocational; GCSE and A Levels; apprenticeships; Higher Education (50 degrees available); community short courses; bespoke courses designed for employers and return to work and employability provision.

Infinite Learning and Development (ILD) - private learning provider) – Visit 18 May 2016

- 10 On the 18 May 2016 members of the review group visited Infinite Learning and Development where they were greeted by Keith Corbett, Operations Director. Members were reminded that Infinite Learning and Development occupied two sites providing training opportunities in facilities at the Learning Centre of Light and at the separate Welding Academy.
- 11 Members were then given a tour of the facilities at the Learning Centre of Light and were informed that ILD work with partners including New College Durham to provide and deliver various training including apprenticeships, pre-employment courses and qualifications.
- 12 ILD provide a Simulated Working Environment (SWE) (one of three in the country) in the Learning Centre of Light, which replicates a fully operational assembly line and includes an integrated classroom facility. ILD use the SWE as part of the induction programme which they deliver for CAT and pre-employment programmes they deliver to various organisations and universities. Over 7,500 people had undergone training via the SWE
- 13 The review group was then taken on a tour of the welding academy where members were informed that ILD has developed and delivered welding programmes specifically to meet the training and succession planning needs for Caterpillar Articulated Trucks (CAT). CAT and its suppliers had recognised that they had an aging workforce (2010 average age of a welder at CAT plant was 55) however young people with NVQ qualifications in welding did not have the specific welding standards required by both CAT and its suppliers.

- 14 Following the tour the review group met with representatives from Caterpillar (Graham Anderson, Group Manager, Helen Hopper, Human Resources and Jim Richardson, Senior Section Manager (Operations)) to discuss with them the model of training used by ILD for apprentice welders.
- 15 Members were informed that Caterpillar considers the apprenticeship model a great success with apprentices trained to industry level within a 4 month period this then allows them to return to the caterpillar plant where they can 'hit the floor running' and be productive, working alongside mentors to provide support and further develop their skills. It was highlighted that apprentices who have not undergone apprenticeship training via the academy do not have the level of skill required by Caterpillar. The most recent cohort of apprentices from the Welding Academy included a female welder.
- 16 It was highlighted that Caterpillar was proactive in engaging with partners and developing training programmes to meet its current and future training needs. It was highlighted that this model works because ILD are delivering training specific to the requirements of an employer and that this model could be adapted for use in other sectors.
- 17 It was also commented that Caterpillar and ILD promote the opportunities provided by the welding academy and that Caterpillar also engages with schools to raise the profile of career opportunities to attract young people into the manufacturing and engineering sector.
- 18 CAT currently provides work experience opportunities to five local schools via 4 work experience modules which have been developed with business partners and have been added to the school's curriculum for 2015/16. CAT have 12 engineering ambassadors who evaluate students' performance in the work place whilst on work experience, any student deemed as excellent in one module by more than one business ambassador may get the opportunity to be fast tracked to an assessment centre for future apprenticeship opportunities. CAT also have a further 26 employers trained to be business ambassadors who deliver work experience in manufacturing, career choices and work readiness.
- 19 The review group highlighted the excellent training facilities provided at ILD both at the Learning Centre of Light and the Welding Academy. Members also commented on the significant success of the apprenticeship model used by ILD at the welding academy which had been developed with CAT to meet their skill requirements.

South West Durham Training (SWDT) - Visit 2 June 2016

- 20 On the 2 June 2016 members of the review group visited South West Durham Training where they were greeted by Lee Childs, Chief Executive Officer. Members were informed that SWDT provides training for local manufacturing and engineering companies predominantly around the Newton Aycliffe and Darlington areas.
- 21 Members were then given a tour of the excellent facilities provided at the CORE facility where they were given detail of the special equipment provided including:

- High Automated System (HAS) which has been devised based on the training requirements in industries with a high level of automation. Its versatility and attractive design allow the reproduction of the operation of a real factory, allowing the study of different scenarios. The highest state-of-the art technologies used in productive processes are integrated in this didactic system, which responds to the need of the most diverse sectors (automotive, semiconductors, food, pharmaceutical etc.).
- Flexible Manufacturing System (FMS) is used for integral training in industrial automation. The modular features of this flexible automation cell allow the introduction of variations in the posts of which it is comprised so that they adapt to the different requirements of companies and training centres.
- Industrial Process control and Bottling and Filling Station allows the raw material to be moved from the side tanks to where the mixing takes place. Once mixed, the liquid leaves the tank and moves towards the drainage section of the station. This equipment is specially designed for the development of professional skills required in the continuous process industry (in sectors such as food, pharmaceutical, chemical, petroleum, etc.).

22 In addition, when undertaking the tour the review group observed young people using welding equipment, operating the lathe machine and various electrical engineering equipment used in the sector with employers from Hitachi Rail Europe undertaking a bespoke introductory course during the visit.

23 The review group commented on the excellent training facilities provided.