

Response ID ANON-YG9C-ES2Y-Y

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Survey Questions

1 What is your name?

Name:

Sarah Mackey

2 What is your email address?

Email:

sarah@ukscreenassociation.co.uk

3 What is your job title?

Job Title:

Chief Executive

4 Are you responding as an individual or representing the views of an organisation?

I am responding on behalf of an organisation

5 What is the name of your organisation?

Organisation:

UK Screen Association

6 What type is your organisation?

Please select the type of organisation you are responding on behalf of:

Business representative organisation/trade body

7 If you are responding as an employer, which sector of the economy are you in?

Please select the sector of the economy you operate in:

Other services

8 Where are you based?

England

9 Should your response to this consultation be treated as confidential?

No

If you have answered yes it would be helpful if you could explain to us why you regard the information you have provided as confidential:

10 Should a proportion of the apprenticeship funding raised from larger companies be used to support apprenticeship training by smaller companies that have not paid the levy?

Yes

Please provide any additional comments that will help us to understand how you have answered the question.:

UK Screen represents companies providing facilities and specialist production services to clients in film, television and commercials production. Our membership includes companies with headcount ranging from 3 to 1000. Our membership includes providers of film and tv studios and stages; visual effects; physical special effects; post production; lighting, camera and post production equipment hire; media asset management; digital storage; data infrastructure and freelance talent.

We agree with the principle that larger companies should pay and that smaller shouldn't, however we caution against the assumption that companies with higher headcounts have the margins necessary to afford this levy without impacting other training spend. We know this not to be the case in our sector and in the wider creative industries.

11 Do you have any comments on the proposed mechanism for collecting the levy via PAYE?

Yes

Please provide any additional comments that will help us to understand how you have answered the question.:

See answer to 12 (below) regarding the employment models of companies working in this sector.

12 In your opinion, how should the size of firm paying the levy be calculated?

Free text comments box:

We have no solution to put forward. However it should be noted that many of UK Screen's member companies work on a project basis, using an employee model where full time 'core' staff are supplemented with freelancers (less than 365 day contracts) when necessary, or where large numbers of staff are employed on fixed term contracts (365 days or more). As a result headcount can fluctuate significantly during the year.

Any system used to calculate size of the firm needs to be both fair and flexible. If a company fluctuates between a size where it is in scope to pay the levy in some months but not in others it would obviously be unfair to treat such a company in the same way as a company that meets the threshold at all times.

13 Should employers be able to spend their apprenticeship funding on training for apprentices that are not their employees?

Yes

Please provide any additional comments that will help us to understand how you have answered the question.:

There is a great deal of employee mobility in the creative industries and in the facilities sector. Apprenticeships run by one employer will eventually benefit the wider sector/industry.

Employers should be able to spend their funding on:

- their own employees
- employees of suppliers and clients
- apprenticeship programmes within their own sector/wider industry (eg the Creative Industries) that are run by industry bodies - sector skills councils, trade associations, unions, guilds, the BBC etc and

In some creative digital sectors the nature of the entry level skills required is such that only higher level apprenticeships (level 4 to level 7) are relevant. Annual cohorts for these apprenticeships will not be large. More new entrants could be recruited if employers could also spend their funds on other career pathways delivering employees into the industry - eg sponsorship of HE and FE course fees and internship costs. Also on entry-level training such as Runner programmes.

For example, UK Screen represents the film, television and commercials VFX sector, where the level and type of skills required cannot be delivered by 16-18 year olds. This sector has traditionally recruited HE graduates but is actively looking at widening access via other pathways. VFX companies are currently working with the Next Gen Skills Academy on developing Trailblazer standards for two Level four apprenticeships (equivalent to a 'foundation course' qualification).

14 How should the England operations of employers operating across the UK be identified?

Comments:

No comment.

15 How long should employers have to use their levy funding before it expires?

Other (please state in comments below)

Please provide any additional comments that will help us to understand how you have answered the question.:

Initially funding should be valid for 3-5 years.

The sector represented by UK Screen has not uniformly made use of the apprenticeship route to date. It is a sector characterised by multiple roles in creative digital companies such as post production and visual effects. Currently new entrants take formal, paid runner, trainee or internship roles with large amounts of on the job training. New entrants are often qualified to degree level.

In order for these companies to participate in apprenticeships a large number of new standards will have to be created. From our understanding of the process currently underway to create two standards for Level 4 apprenticeships in VFX each standard takes at least 18 months from planning to the point at which the first cohort starts, and costs in excess of £15,000.

Even if the industry can find the money to create standards (which is by no means definite) the lead time involved means that digital vouchers for years 1 and 2 cannot be spent until year 3 at the earliest. Companies should be allowed to spend the money on standards creation or on other training and/or to allocate digital vouchers to other companies in the supply chain in the meantime.

16 Do you have any other view on how this part of the system should work?

Comments:

Levies collected should be ring-fenced at the sector or industry level. Money from the creative industries should not be allowed to leak out to fund other industries.

The film, television, games, animation and VFX sectors all invest significantly in training - following an industry-wide, full-career approach to use of funds. The Apprenticeship Levy, if it lacks flexibility, will divert funds from all other areas of skills development, creating a 'bulge' around apprenticeships where funding will exceed the capacity to utilise this kind of new entrant.

Skills investment areas at risk:

- Careers outreach – ensuring that children and young adults are aware of the opportunities in this sector
- Curriculum – ensuring that schools are enabling pupils to develop the mix of STE(A)M skills that they need for a career in this sector (fundamental changes to the educational system such as the new Computing GCSE take time to develop and implement, and then will not impact the graduate market for several years afterwards.

- FE and HE Course Accreditation - industry collaboration with institutions on existing undergraduate and postgraduate courses to ensure that qualifications are relevant, that tutors do not lack industry knowledge and that soft skills in client interaction and team-working are also developed.
- New career pathways to encourage diversity and broaden access into the sector, so that potential entrants can follow less 'traditional' routes into VFX and other creative digital companies.
- CPD - formal and on-the-job training throughout the career of an individual. In high tech, creative digital sectors, such as VFX, post production and games, roles are constantly evolving as clients seek better and better outcomes. Investment in CPD is essential to maintain the UK's current position as a global content production hub.

17 Do you agree that there should be a limit on the amount that individual employer's voucher accounts can be topped up?

Yes

Please provide any additional comments that will help us to understand how you have answered the question.:

18 How do you think this limit should be calculated?

Comments:

Don't know.

19 What should we do to support employers who want to take on more apprentices than their levy funding plus any top ups will pay for?

Comments:

BIS should give consideration to the creation of a digital voucher trading scheme:

- Companies who cannot use their full allocation offer vouchers back to the fund for 60%-70% face value
- Employers wanting to take on additional apprentices could buy the vouchers at a discounted rate
- The remainder is used as an administration fee
- Companies trading in vouchers are only paid if they can give clear proof that the money is then spent on other training and development activities (such as those described in our response to question 16)

20 How can we sure that the levy supports the development of high-quality apprenticeship provision?

Comments:

Enable the money to be spend on developing NOS (National Occupational Standards) and Trailblazer standards.

21 How should these ceilings be set, and reviewed over time?

Comments:

Follow the current model used by the SFA when assessing the cap per head.

22 How best can we engage employers in the creation and wider operation of the apprenticeship levy?

Comments:

Connect with multiple companies via trade associations, sector skills bodies and industry councils.

Run workshops at UK-based trade fairs/markets.

Create industry/sector working groups.

23 Does the potential model enable employers to easily and simply access their funding for apprenticeship training?

No

Please provide any additional comments that will help us to understand how you have answered the question.:

In sectors where apprenticeships have not been a traditional entry route and sufficient standards are not in place employers will not be able to access their funding as they will have nothing to spend it on.

In order to speed the process to meet the Government's target on apprenticeship starts, it is recommended that employers are allowed to use digital vouchers to fund the development of standards.

24 Should we maintain the arrangement of having lead providers or should employers have the option to work directly with multiple providers and take this lead role themselves if they choose to do so?

Yes

Please provide any additional comments that will help us to understand how you have answered the question.:

The question is not a yes/no question.

Yes - to the latter part of the question. Employers should have the option to take the lead provider role themselves. In the sector that UK Screen represents very few employers would have the resources to do this but we believe that flexibility is always good in a system/process so we would support this.

25 If employers take on the lead role themselves what checks should we build in to the system to give other contributing employers assurance that the levy is being used to deliver high quality legitimate apprenticeship training?

Comments:

Employers acting as lead providers should be subject to the same level of checks as other lead providers are currently.

26 Should training providers that can receive levy funding have to be registered and/or be subject to some form of approval or inspection?

Yes

Please provide any additional comments that will help us to understand how you have answered the question.:

Yes - all lead providers and MOST secondary providers should be registered and/or subject to checks, in the same way as they are under the current SFA system.

However, as previously stated, it is likely that the apprenticeships developed for high tech, creative digital companies (such as VFX) will be Level 4 or Level 7 (degree equivalent) apprenticeships. These may include provision from non-UK, niche providers - highly-specialised experts who visit London from time to time to give master-classes. Any system of checks should not prevent employers or lead providers being able to include this type of content in a high level apprenticeship.

27 If providers aren't subject to approval and inspection, what checks should we build in to the system to give contributing employers assurance that the levy is being used to deliver high quality legitimate apprenticeship training?

Comments:

In the example used above, where a lead provider contracts with global experts to supply an element of a higher level apprenticeship, the lead provider should be required to supply narrative evidence that the trainer is of a high quality. This would give evidence on status and production credits (similar to the type of evidence provided when bringing non-EEA experts in on a Tier 2 (general) visa.)

28 What other factors should we take into account in order to maximise value for money and prevent abuse?

Comments:

User reviews of providers.
Employer reviews of providers.
Independent inspectors.

29 How should the new system best support the interests of 16-18 year olds and their employers?

Comments:

No comment.

30 Do you agree that apprenticeship levy funding should only be used to pay for the direct costs of apprenticeship training and assessment?

No

Please provide any additional comments that will help us to understand how you have answered the question.:

As stated in several responses previously, factors potentially inhibiting achieving the Government's targets are:

- Lack of standards in place for roles in sectors not currently using apprentices
- Timeframe and cost of creating standards
- Pressure on CPD budgets created by Apprenticeship Levy
- Low margins in facilities sector and wider creative industries
- Fragmentation of roles and lack of critical mass
- High level of skills required from new entrants

Unless apprenticeship levy funding is used for developing new standards, employers in VFX and post-production companies would not be able to spend their digital vouchers. They would be unable to employ apprentices and, at the same time, would have less money available to achieve their wider training plans. They would be paying for apprenticeships in other industries at the expense of training in their own sectors.

The best way to enable the Government to reach its target would be to make the Levy as flexible as possible.

31 If not, what else would you want vouchers to be able to be used for and how would spending be controlled or audited to ensure the overall system remains fair?

Comments:

Development of new apprenticeship standards.

Funding of other entry-level pathways into industry - internships, in-house training programmes, course accreditation.

Govt could agree a percentage split with industries/sectors so that x% of digital vouchers are for off-job training, x% for standards creation, x% for other training options. This split to be reviewed when the Levy becomes more established (as the need for development spend should reduce with time).

32 Are there any other issues we should consider for the design and implementation of the levy that haven't been covered by the consultation questions we have asked you?

Yes

Comments:

The risk of a negative impact on other training and development spend caused by diverting employer spend into apprenticeships - particularly if standards don't currently exist and/or the suitability of the apprenticeships model for a sector/company is limited. One size does not fit all.

33 Do you have any other comments that might aid the consultation process as a whole?

Please use this space for any general comments that you may have, comments on the layout of the consultation would also be welcomed.:

No, but I am happy to discuss any of these points further if it would help.