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Training for Growth

Project Evaluation Report

April 2025

**Sunderland
City Council**





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1. Introduction

Local technical skills availability represents a significant risk to business productivity and is a potential constraint to future growth. This is further compounded by the reduction in apprenticeship training, particularly among SMEs. Apprenticeship starts in Manufacturing SMEs in the North East reduced by 60% between 2015/16 and 2019/20 (DfE).

The Training for Growth pilot sought to demonstrate a systemic approach to increase the number of technical apprenticeships in Sunderland to meet future investment requirements, and to provide residents with access to advanced apprenticeships, leading to higher qualifications, better jobs, and higher wages. The pilot aimed to increase the number of key technical apprenticeships, support more SMEs to take on apprentices and provide residents with access to high quality advanced apprenticeships with local employers.

This innovative pilot brought together businesses, employer bodies, and training providers to support growth and investment in advanced manufacturing and net-zero technologies in Sunderland. UK Shared Prosperity Funding (UKSPF) funding, in the form of grants, contributed towards the first year salaries of engineering technician apprenticeships (L3) starts in advanced manufacturing businesses in Sunderland.

Training for Growth helped address three of the six key priorities set out in the North East Local Skills Plan (NELSIP) 2023-2026 (<https://nelsip.com/wp-content/uploads/2023/09/NELSIP-Brochure-final-Sep23.pdf>).

1. Increasing the supply of level 3 technical skills
2. Enable employers, especially SMEs, to identify their future technical skills requirements
3. Helping remove barriers to employment to enable local residents to access high value and better jobs



2. Project context

Increasing automation and digitalisation is changing the skills required in advanced manufacturing facilities, placing a higher dependency on engineering technicians to maintain more advanced facilities. Demand for these scarce technical skills will increase significantly, driven by significant recent investment by Nissan and AESC, and growth within the automotive supply-chain. In addition, demand in adjacent growth sectors, such as offshore renewables, will further increase competition. This is a significant risk to incumbent employers, particularly to SMEs, and is exacerbated by the recent decline in apprenticeships.

Advanced apprenticeships in engineering are 20% down in the NELSIP region since 2019, and apprenticeships at all levels across manufacturing SMEs are 60% down since 2015/16 (Source: DfE). The impact of which is restricting opportunities, particularly for those in disadvantaged areas, to gain qualifications and access to better jobs/careers.

Several factors contribute towards the reduction in apprenticeships, but cost of employment during a 3-4 year training programme is a significant barrier, particularly for SME employers, given the risk that an apprentice may not complete the programme or be recruited by another business.

Recent jobs growth in the North East is being driven by the creation of “better jobs” requiring higher levels qualifications, but the number of residents with NVQ3 as their highest qualification level is reducing, limiting residents to low-wage employment or economic inactivity (Source: NELEP).

a. Aims and objectives

The Training for Growth pilot sought to provide residents with access to high quality advanced apprenticeships with local employers, and a route to employment that has a pay premium of 30%+ over Level 2 qualifications and other sectors. The pilot is a 3 year industry-leading, innovative partnership model between the North East Automotive Alliance (NEAA), Education Partnership North East (EPNE) and other training providers, the objectives were:

- To support SMEs to recruit 18 apprentices.
- To facilitate access to SMEs and provide oversight of employer support for the programme.

It was anticipated that the apprenticeships would be delivered by EPNE.

UKSPF provided support through grant funding to help SMEs overcome a recognised barrier to SMEs taking on apprentices – financial costs, particularly the first year salary where apprentices gain foundational knowledge and skills through a combination of



classroom instruction and practical work and are therefore not contributing towards the business.

Learning from Year 1 of the pilot sought to inform how the Training for Growth model can be sustained, to enable the supply of skilled engineering technicians required to support further investment and growth in Sunderland and the wider North East region.

This pilot sought to benefit Sunderland residents, Sunderland based SMEs and the broader local economy. It aimed to contribute to the Priority Interventions set out in the UKSPF Call in several ways:

- Enable residents to access advanced vocational skills and qualifications required by the advanced manufacturing sector, particularly supporting new investment and growth in electrical vehicle and battery manufacture, and the application of new technologies enabling net-zero.
- Support further inward investment and growth in advanced manufacturing and other sectors through the adoption of digitalisation and net-zero technologies, by establishing an innovative and scalable local partnership between employers, employer bodies and training providers.
- Enable more SMEs to employ apprentices and engage with local education and training providers, increasing the supply of highly skilled technicians, developing a more resilient local employment market, creating an ecosystem for innovation and skills to enable business growth, and providing more ongoing opportunities for residents.
- Enable more residents, including underrepresented and economically inactive groups, to access advanced vocational qualifications and transferable digital skills that will enable them to access high value “better” jobs and resilient careers, commanding a 30%+ pay premium and addressing the decline advanced qualification attainment and in the number of apprenticeship opportunities in recent years.

b. Constraints

Since conception of the Training for Growth project, the North East automotive manufacturing sector, a significant part of the Sunderland Advanced Manufacturing sector, has faced increasing headwinds. Recent data shows that car production has declined to its lowest level in decades, with 2024 marking a particularly sharp contraction in output. This decline reflects a complex convergence of structural, economic, and policy-related pressures, both domestic and international.

Paul Butler, CEO of the North East Automotive Alliance stated “The sector is in a very different place to where we expected it to be when we set out our plans in February 2024. We anticipated we would have seen the new model launches from Nissan, and



we expected the AESC battery facility to be up and running – which would have led to a significant recruitment bow wave across the region.

The sector has faced many recent challenges, Covid, semi-conductor shortages, economic conditions and other supply chain factors that have impacted global sales at a time when the sector is facing one of the biggest and most challenging transitions in its history – the shift to zero-emission vehicles (ZEV).

These challenges have created uncertainty in the market and led to delays in new model launch and reduced production volumes causing companies to closely manage cashflow.

However, companies will soon start to gear up for growth as we build towards new model launches the AESC battery facility beginning production and increasing volumes. Technical skills will therefore be at a premium across the region – with SMEs facing increasing pressure to retain employees. Many SMEs recognise that growing your own talent helps improve retention in a competitive market.

At a time when companies are managing cashflow but seeking to gear up for anticipated growth, investment in apprentices is challenging. Training for Growth Pilot has alleviated some of that pressure and helped remove a key barrier to SMEs taking on apprentices”.

Challenges in the Transition to Electrification

Globally, transport is estimated to account for around 25% of CO2 emissions, with road vehicles being the largest contributor within that sector. In the UK, cars and vans make up two-thirds of transport emissions.

The Zero Emission Vehicle (ZEV) Mandate is the government’s policy tool to end tail pipe emissions. Announced in October 2021 as part of the Net Zero Strategy: Build Back Greener, the ZEV Mandate is the world’s most ambitious decarbonisation measure of its kind, and requires car and van manufacturers to sell a growing percentage of zero-emission vehicles each year.

Prior to which in 2017 the UK government had set out plans to ban on sales in the UK of new petrol and diesel cars by 2040. This was brought forwards to 2030 in November 2020 as part of the governments “Ten Point Plan for a Green Industrial Revolution”, before being delayed to 2035 due to cost-of-living concerns in September 2023.

The transition to electric vehicles (EVs) remains a transformative yet deeply disruptive shift for the global automotive sector, and not helped by changing policy which creates uncertainty in the market. Whilst consumer demand for EVs is growing, evidenced by a year-on-year sales increase of over 40% in March 2025, the demand did not keep pace



with the transition by OEMs resulting in significant challenges by the sector to meet the UK government's ZEV Mandate.

Following industry consultation the new Labour government recently confirmed the government's commitment to end the sale of all new cars powered solely by internal combustion engines by 2030. However, amendments to the ZEV mandate have provided manufacturers with short-term flexibility to ensure that jobs and investment remain in the UK as we pivot towards electric vehicles and customers a level of certainty needed to stabilise the market transition.

Global Competitive Pressures

The EU and UK faces mounting competitive pressure from emergent automotive production hubs and OEMs, such as China and South Korea. These regions benefit from more integrated EV supply chains, substantial public subsidies, and streamlined regulatory environments that enhance their global competitiveness - particularly in electric mobility. The UK market, in particular, is facing significant competition due to the UK not following many other trading blocks in imposing import tax on Chinese vehicles, as such in 2025 we will see the number of OEMs competing for the UK passenger vehicle market increasing by 56%.

Weakness in Core Markets

Demand has remained subdued across several key export markets, including the European Union, China, and the domestic UK market. This softening has placed additional strain on manufacturers, particularly those with high exposure to internal combustion engine (ICE) vehicles, which are witnessing declining consumer interest amid growing climate policy pressures.

In uncertain economic times, investment is often reduced. Several OEMs have announced production cutbacks or deferrals of investment due to market uncertainties, new model introduction, high input costs, and slow EV uptake in certain market segments. The lack of strategic clarity and targeted support is deterring long-term capital allocation throughout the supply chain. Revenue expenditure in particular, with investment in routes to market such as advertising, marketing, professional and consulting fees, and travel costs, have all been reduced.

It is important to consider this commercial and economic backdrop when analysing the effectiveness of the Training for Growth pilot.

Limitations on participation

To be eligible for participation in the programme, organisations and individuals were required to be geographically located within Sunderland. This eligibility criterion inherently limited the scope of companies and individuals able to engage with the



initiative. The NEAA network includes organisations throughout the broader North East region, including Newcastle, Gateshead, Northumberland, Durham, and Teesside, businesses situated in these areas were ineligible to participate in this project.

Although known before these eligibility restrictions significantly constrained the potential pool of participating organisations from that of previous ERDF projects. As a result, the programme's reach and potential impact were limited, despite the existence of relevant businesses operating just outside the defined boundaries. In addition, the requirement to recruit apprentices who reside within the Sunderland region also placed constraints on attracting suitable candidates. Such limitations highlight the challenges in designing targeted interventions that balance focus with inclusivity.

Apprenticeship Provision

The original plan indicated that apprentices would be trained at MADE NE (Manufacturing, Automation, Digitalisation, Electrification North East) by Education Partnership North East.

MADE NE, announced in July 2024, is a £14.6 million open access facilities to industry for skills training in the region's advanced manufacturing sector, with a particular focus on EV and battery manufacturing.

However several factors combined and resulted in a more open approach to apprenticeship provision:

- 1) Delays to the sign off of the MADE NE project resulting no capacity to deliver apprenticeship training in sufficient timescales to meet the pilot requirements
- 2) Capacity issues within Education Partnership North East as a result of taking on all Nissan apprentices following NA College entering into administration.
- 3) SMEs identifying apprenticeship provision by other colleges of independent training providers

Finding suitable candidates

This project was highly attractive to SMEs. Within the first two weeks of launch, 10 SMEs had registered interest in the project. Subsequently however, the biggest difficulty faced by the SMEs was in attracting and recruiting apprentices due to a lack of understanding of the process (see below) and the attractiveness of an apprenticeship offered by an SME as apposed to one offered by large multi-national businesses. However, engaging with independent training providers helped significantly. The training providers were able utilise their track record in delivering apprenticeships and their brand to attract interest. Training providers have been able to supply SMEs with CVs, helping SMEs find suitable candidates for their business.



Complex apprenticeship system

It is well reported that SMEs often face challenges with the apprenticeship system due to complex regulations and a lack of support. These issues are recognised barriers to SME participation in apprenticeship programs. Specific challenges faced by SMEs:

- Complexity and Navigation: The apprenticeship system is complex due to the frameworks, standards, and regulations to SMEs have to navigate. SMEs often lack dedicated HR resources or the expertise to effectively navigate the apprenticeship system.
- Lack of Support: SMEs find it difficult to access adequate support services to navigate the system, they often struggle to find suitable apprenticeship standards to meet their needs, and suitable training providers to deliver those, and often do not know how to access financial incentives.
- Workplace Readiness: Many SMEs may lack the experience and resources to provide the necessary structured training, supervision, and mentoring required for a successful apprenticeship experience.

Training providers engaged in the project helped SMEs through this complex process. Tom Anderson, CEO at Evolve Metals stated “the process of taking on our first apprentice has been really seamless, I’ve been spoon fed everything by Sunderland College and the North East Automotive Alliance. Without that help it would have been a nightmare, I didn’t know where to start or where to look, they’ve made the process easy”.

Delays to the commencement of the project

The original T4G project business case was submitted in February 2024, with a revised version being submitted in May 2024. The formal authorisation, Grant Offer Letter, was signed on the 19th December 2024. This delay resulted in the project starting at risk from June 2024.

Consequently, this uncertainty shortened the available timeframe for effective engagement with potential participant organisations and residents, which in turn may have limited the number ultimately able to access and benefit from the available support. It is worth noting that NMUK, a recognised apprenticeship exemplar starts their recruitment process for a September intake in January, hosting apprenticeship evenings in early February.



3. Performance

Outputs	Target	Actual
Number of enterprises receiving grants	10	10
Number of people receiving support to gain a vocational licence	18	17

Outcomes	Target	Actual
Number of economically active individuals engaged in mainstream skills education and training	4	17
Number of people in education/training following support	18	17
Number of people in employment, including self-employment, following support	18	17
Jobs created as a result of support	18	17

Output performance summary:

- **Number of enterprises receiving grants** – Demand for the project was strong. 10 companies submitted expressions of interest and following review a grant offer letter was offered to all.
- **Number of people receiving support to gain a vocational licence** – 17 Sunderland residents gained support to access level 3 apprenticeships with Sunderland based businesses. One further individual was identified but resided outside of the Sunderland area for an apprenticeship position with a Sunderland based business. The delay gaining agreement to support this individual resulted in the individual finding alternative employment.

Two further outputs could have been achieved if there was more flexibility in the programme to have supported the two Liebherr Crane apprentices who were being made redundant.

Outcome performance summary:

- **Number of economically active individuals engaged in mainstream skills education and training** – All 17 individuals engaged in the project are undertaking level 3 apprenticeships and therefore meet the outcome criteria.
- **Number of people in education/training following support** – All 17 individuals engaged in the project are undertaking level 3 apprenticeships and therefore meet the outcome criteria.
- **Number of people in employment, including self-employment, following support** – All 17 individuals engaged in the project are undertaking level 3 apprenticeships and therefore meet the outcome criteria.



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- **Jobs created as a result of support** - All 10 businesses supported through the project confirmed at application these 17 jobs were created as a direct result of the funding and that these jobs would not have been created otherwise.
- **Green Jobs** - Defined as employment in activity that directly contributes or indirectly supports Sunderland's net zero emission targets and other environmental goals. A number of businesses in the pilot are part of the automotive supply chain, including off highway, and therefore contributing towards our transition to zero emission motoring. In addition Engineering Technicians, Improvement Technicians contribute towards lean manufacturing improvements and therefore help reduce industry emissions. Note: in 2017 Industrial emissions account for 40% of Sunderland's total carbon emissions. Finally industrial digitalisation will reduce CO2 emissions by 4.5%, and improve productivity by at least 25%. Engineering Technicians, Improvement Technicians contribute towards adoption of industrial digitalisation and therefore help reduce industry emissions. Using the definitions above 15 of the 17 jobs created were “green jobs”.

Delivery against priority Interventions set out in the UKSPF Call:

- The Training for Growth pilot enabled 17 Sunderland residents to access advanced vocational skills and qualifications required by the advanced manufacturing sector, particularly supporting new investment and growth in electrical vehicle and battery manufacture, and the application of new technologies enabling net-zero.
- The Training for Growth pilot has created an innovative and scalable local partnership between employers, employer bodies and training providers, which in turn if scaled will support inward investment and growth in advanced manufacturing through the adoption of digitalisation and net-zero technologies.
- The Training for Growth pilot has enabled 10 SMEs to employ apprentices and engage with local education and training providers, increasing the supply of highly skilled technicians, developing a more resilient local employment market, creating an ecosystem for innovation and skills to enable business growth, and providing more ongoing opportunities for residents.
- The Training for Growth pilot has helped target underrepresented and economically inactive groups. Promotion of careers has raised awareness of future opportunities associated with the anticipated growth of the sector. 17 Sunderland residents have benefitted from access to advanced vocational qualifications and transferable digital skills that will enable them to access high value “better” jobs and resilient careers.



4. Value for money

The original project application was £1,493,205 but was to deliver a significantly larger project. Following feedback from the application the project was revised to a pilot with approved value of £225,927.

Revenue Expenditure	Original Application	Approved Application	Actual
Salaries	£38,092	£18,521	£15,667
Flat Rate Indirect Costs	£5,714	£890	£2,350
Marketing & Promotion	£300	£4,000	£675
Travel & Expenses	£5,000	£1,200	£116
Other Revenue	£400,000	£134,153	£123,076
Other Revenue	£800,000	£61,275	£39,955
Other Revenue	£207,200	£0	£0
TOTAL	£1,493,205	£225,927	£181,839

Original Application (Feb 2024):

The original Training for Growth project aimed to deliver 75 additional level-3 technical apprentices over a three-year period. 25 apprentices with OEM/Tier 1 (overtraining), 50 apprentices with SME and/or a flexi-apprenticeship provider. The latter would undertake a common "NEAA badged apprenticeship" and those not placed with SMEs pre start would be supported and placed over the period of their first year. The minimum amount of UKSPF funds required to take this pilot forward was £1,493,205 and would contribute to a programme value of £7,037,915. UKSPF contribution was 21% and represents an average UKSPF contribution of £19,909.40 per resident supported.

Approved Application (May 2024):

The approved Training for Growth pilot aimed to deliver 18 additional level-3 technical apprentices over a three-year period. This pilot removed the OEM/Tier1 and flexi-apprentice provider from the above model to focus on supporting 18 apprentices within 10 SMEs. The minimum amount of UKSPF funds required to take this pilot forward was £164,652 and would contribute to a programme value of £1,496,652. UKSPF contribution was 11% and represents an average UKSPF contribution of £9,147.33 per resident supported.

Actual

The Training for Growth pilot delivered 17 additional level-3 technical apprentices. The actual UKSPF funds required to deliver this pilot was £141,833.12 and will contribute to a programme value of £1,473,884. UKSPF contribution was 9.6% and represents an average UKSPF contribution of £8,343.12 per resident supported, improving VfM by over 8.8%.



5. Process and systems

The Training for Growth programme was project-managed by Paul Butler (CEO and Project Manager), Joe Routledge (SME Engagement), Laura Gage (Marketing), and Julia Bell (Project Administrator). Despite challenging external market conditions and the previously identified programme constraints, the project was delivered with a high degree of effectiveness. In total 10 Sunderland based SMEs received grants to support the first year salaries of 17 level-3 apprentices – achieving over 97% of targets.

Apprenticeship recruitment:

During the recruitment process several SMEs feedback that finding and attracting the right candidates was difficult. Many SMEs lack dedicated HR resources and do not have the brand awareness that large multinational businesses often have. However, the capacity restrictions at EPNE and the requirement to work with additional providers had a positive impact on the project. SMEs were able to benefit from the outreach and recruitment support provided by the provider network.

Apprentices engaged on the programme highlighted that the three biggest challenges when considering career options prior to their apprenticeship were:

- 1) Not knowing what job opportunities existed
- 2) Not knowing how to access jobs or what skills were required
- 3) Challenges with transport or getting around

Case Study – Luke Middleton: I've really enjoyed working at Evolved Metals the education that I'm getting is different completely different from school. I didn't really care for school it wasn't really my learning environment. My apprenticeship at Evolve is a different approach to learning, more suited to me, where I'm getting that education as well as being part of the business. I've learned more practical skills that can be applied in industry, rather than if I was just learning in a classroom or college environment. I do think that apprenticeships enable people to transition into industry easier, providing the necessary qualifications plus essential skills and experience to help me start my career.

Case Study – Matthew Warren: The apprenticeship has allowed me to carry out practical training, alongside working full time and gaining a wage. I have had various training courses during my time at AR, applying the theory on real world issues, and learning how projects develop over time. I have also gained a lot of experience with various design software which will be valuable for the future.

Other comments captured from apprentices include:

“by completing me apprenticeship I will gain a level3 machining technician qualification. This will expand my knowledge and skills creating technical job opportunities in the future”.

“I’ve learned a lot since starting my apprenticeship. This will help me build skills faster and help with future employment opportunities”.

“This apprenticeship has introduced me to the world of work and prepared me for future roles within engineering”.



“The apprenticeship allows me to gain experience whilst getting a qualification”.

“This apprenticeship has gave me insight into how industry is ran and has allowed me to gain skills and qualifications for the future”.

SME engagement:

The NEAA benefits from an extensive network of SMEs in the Sunderland region, with 139 businesses engaged with the cluster. A review of eligibility identified a target list of members and non-members. These businesses were targeted on a 1:1 basis, supported by promotional material developed by the NEAA. In addition, the provider network’s business development teams also engaged with eligible SMEs, focusing on ones that were new to apprenticeships or who had not committed to taking on apprentices for this period. This combination of established networks and relationships proved to be a key benefit to the pilot, helping mitigate the delays.

Case Study: Evolve Metals

As a new business and pre-revenue it's not easy to take on staff. This pilot has been a complete game changer. It's enabled us to take on someone who fits what our requirements perfectly and whilst he's helping us enormously, he's benefitting from exposure to the business.

The process of taking on our first apprentice has been seamless. I've been spoon fed everything by Sunderland College and the North East Automotive Alliance together they've helped me identify suitable candidates and guided me through the apprenticeship system. Without that help it would have been a nightmare, I didn't know where to start or where to look so it's been easy from my perspective.

The training for growth program is fantastic. It really has done exactly what it's set out to do. We've taken on someone with ambition and talent, hopefully we are nurturing that for his benefit, for ours, and the benefit for the region and the country.

Case Study - AR Power: The apprenticeship role that Matthew is carrying out is the first time that we have had a design apprentice, although we have traditionally supported electrical apprenticeships. The design role has significant shortage in skills and experience in the North East, so we are delighted to be able to work with Matthew to dedicate time into developing him as a Solar Design Engineer. In a short period of time he has been able to embed himself into the team and really demonstrate the value of apprenticeship roles within the design sphere.

Case Study – Pipeline Protection NE: Our apprentices have been very positive from our perspective. As a company we are in a growth phase therefore it has been invaluable and cost-effective to employ additional staff by way of apprentices, who we can train to our specific needs and who are able to grow with the business.

This is Connor’s first job, he has great enthusiasm and a willingness to learn. He can be relied upon to follow instructions, will ask questions and always speak up if unsure – which is vital. Due to his positive attitude he has built strong working relationships with his colleagues.



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Jamie has brought with him experience from his work at Nissan and has a great work ethic. He is very keen to learn, ensures he follows instructions, is confident to ask questions and to share ideas. He has developed strong working relationships with all his colleagues.

Supported apprentices have stated that they are:

- Highly satisfied with supported by their employer
- Satisfied with the quality of teaching and learning materials
- Satisfied with the access to the resources need for their training
- Satisfied with supported by their training provider
- Satisfied with the balance between your work and training
- Satisfied with their overall experience of their apprenticeship



6. Sustainability

Training for Growth provided grants to 10 SMEs, with an average grant value of £7,240 per apprentice towards their first year salary of £16,000, resulting in 17 additional Level 3 engineering apprentices to be recruited and trained. The first year salary costs for technical apprenticeships are a recognised barrier to SMEs taking on apprentices. This pilot has proven that financial incentives can help reduce barriers and create demand for apprenticeships within SMEs. The NELSIP highlighted that the University of Sheffield Advanced Manufacturing Research Centre (AMRC) and the Manufacturing Technology Centre (MTC) at Coventry have created ecosystems providing innovative assistance for SMEs, through deployment of new technologies, enhanced technical apprenticeships and additional financial assistance. 80% of the 700+ Level 3+ apprentices at the AMRC Training Centre are employed by SMEs from within a 40-mile radius of the centre.

Utilising the existing networks and creating partnerships between employer representative bodies (ERB), employers, particularly SMEs, and providers would create a similar model. The partnerships would be supportive of the NECA Local Growth Plan and the NECA New Deal for North East Workers. It would be attractive to public sector funding, helping reduce the risk for SMEs, a transform skills provision across the region.

Apprentices supported through the project have stated as a result of their apprenticeship they:

- Have learnt new skills
- Have had hands-on, practical and real world experience
- Are more able to work in a team or on their own
- Have more financial stability
- Given a clearer focus on career options

There has been significant interest in this pilot and the use of UK Shared Prosperity Funds from Skills England, Make UK, the NELSIP and other key stakeholders.

Under UK Trade & Invest the UK Government used to offer £5,000 export vouchers to support the internationalisation of SMEs. This project suggests that a similar grant offered to SMEs to support technical apprenticeships would be highly sought after and hugely impactful. A future project should look at this model and target level 2 entry level apprenticeships.



7. Transformation

NELSIP: This pilot project is tightly aligned to the North East Local Skills Plan, addressing three of the six key priorities 1) Increasing the supply of level 3 technical skills, 2) helping employers, especially SMEs, to identify their future technical skills requirements, and 3) helping to remove barriers to employment to enable local residents to access high value and better jobs.

Sunderland City Plan: The pilot enabled Sunderland residents to secure good jobs matching the needs of employers in one of the city's key sectors. 15 of the 17 jobs created were green jobs, directly supporting climate change goals. In addition, these higher technical transferable skills provide exciting career opportunities leading to better jobs and wages mitigating ongoing challenges, including the cost-of living crisis.

Sunderland Community Wealth Building Delivery Plan: This pilot improved access to level 3 technical advanced apprenticeships. These provide a route to employment that has a pay premium of 30%+ over Level 2 qualifications and other sectors. Furthermore, advanced digital skills improve regional economic resilience; jobs with a higher digital skill requirement reduce the risk of job elimination due to automation by 59%. (DCMS – No Longer Optional: Employer Demand for Digital Skills, 2019).

Sunderland Smart City Ambition: The pilot directly supports advanced technical skills required by advanced manufacturing. 12 of the 17 apprenticeships will support lean manufacturing and industrial digitalisation providing greater opportunities for increased levels of automation and productivity improvements through smart and interconnected value streams.

Sunderland Low Carbon Framework: 15 of the 17 apprenticeships are green jobs.

9 of the 17 apprenticeships are in the automotive supply chain and therefore contributing towards our transition to zero emission motoring.

12 of the 17 apprenticeships support lean manufacturing and contribute to productivity improvements resulting in a 25% reduction in CO2 emissions. It is worth noting that in 2017 industrial emissions account for 40% of Sunderland's total carbon emissions.

12 of the 17 apprenticeships support industrial digitalisation. It is recognised that ID technologies will reduce CO2 emissions by 4.5% and support productivity improvements which will result in a further 25% reduction in CO2 emissions.



8. Recommendations

Apprenticeship grants: Create a £5,000 apprenticeship “first year salary” grant for SMEs to help reduce the risk and cost of technical apprenticeship in the first year. This would be highly sought after and hugely impactful.

Strategic workforce planning: Understanding and signalling the future skills requirements of businesses is one of the key priorities identified in the NELSIP. The ability of SMEs, in particular, is limited. Support needs to be provided to enable SMEs to determine their current and future talent through the analysis of their existing workforce, forecasting future requirements, identifying any gaps, and implementing solutions to ensure they have the right people with the right skills at the right time. The latter is extremely important and requires the provider network having a 3-5 year view in order they can deliver against this need.

Aggregate demand: Employer representative bodies (ERB) are recognised as having extensive SME engagement across their networks. 80% of the 700+ Level 3+ apprentices at the AMRC Training Centre are employed by SMEs from within a 40-mile radius of the centre, their network of SMEs is extensive. Aggregating demand across ERBs creates a standardised approach creating sufficient demand for providers and improves support/guidance for SMEs. This should be done alongside support for Strategic Workforce Planning.

Sector Skills Partnerships: Creating the right ecosystem of ERBs, employers and providers (FE, HE and ITPs) will create an agile and responsive network to enable sectors to target specific interventions and access funds in support of the delivery of sector specific priorities. UK best practice demonstrates that high levels of SME engagement in skills and workforce planning requires dedicated resources and focus to support local SME employers.

The training for growth pilot has demonstrated that a coordinated approach from ERBs and training providers can engage and support SME engagement in apprenticeships and training. In addition, a cohesive approach through sector skills partnerships would improve sector attractiveness to future employees through effective and co-ordinated marketing.

This model should be scaled and replicated.

Consistency of programme documentation: It is recommended that local authorities responsible for delivering UKSPF-funded programmes adopt a standardised programme documentation template. The delays encountered during the initiation of the training for growth pilot, which subsequently shortened the project's delivery timeframe, highlight the need for a more streamlined approach. Future programmes would greatly benefit from the implementation of a standardised template that local



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authorities can customise according to specific programme requirements. Such a template would provide clear definitions and evidence for expected outputs from the outset, thereby reducing the time and resources spent on clarifying key details. This clarity would also assist delivery partners by enabling them to better understand programme expectations and eligibility criteria. By ensuring the early communication of programme outputs, this approach would help mitigate uncertainty, eliminate ambiguity, and prevent delays in programme commencement. Moreover, the use of a standardised template would facilitate smoother collaboration between stakeholders and encourage greater participation from organisations that may benefit from the support offered. This proactive approach could lead to more efficient and effective programme delivery overall.