

**Creative Industries Federation response to the
Department for Education consultation: 'Flexi-Job
Apprenticeships: Reshaping the role of Apprenticeship
Training Agencies'**



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The **Creative Industries Federation** is an independent, not for profit, membership organisation which represents, champions and supports the UK's creative industries. Through our wide network of creative organisations, businesses and individuals, our influential policy and advocacy work and our support services, we connect creative businesses and individuals with the money, markets, government and the opportunities they need to thrive. The Creative Industries Federation, with its sister company Creative England, is part of the non-profit group, Creative UK. www.creativeindustriesfederation.com

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THE UK'S CREATIVE INDUSTRIES

- The creative industries contributed £115.9bn in GVA to the UK economy in 2019, which is greater than aerospace, automotive, life sciences and oil and gas sectors combined. The sector represents almost 6% of the UK's GVA.
- They were growing at four times the rate of the UK economy as a whole and experienced strong growth in all parts of the UK. Between 2010 and 2018, the sector's GVA grew by 39% in the North West and 55% in Scotland.
- The creative industries were creating jobs at three times the UK average, employing 2 million people across the UK. Employment in the sector grew by 21% in Northern Ireland and 30% in the West Midlands between 2010 and 2017.
- Almost 1 in 8 UK businesses are creative businesses and 95% of these employ 9 people or fewer.
- 33% of creative workers are freelancers, double the wider UK economy, and in some sub-sectors the figure is much higher, such as 70% in Music, Performing and Visual Arts.
- The creative industries exported £46bn in goods and services worldwide and accounted for almost 12% of UK service exports.

Question 1: Do you agree with our vision for flexi-job apprenticeship schemes?

The Creative Industries Federation supports the Department for Education's vision for the flexi-job apprenticeship schemes.

The creative industries are highly entrepreneurial and agile, with a significant freelance workforce: 95% of the creative industries employ nine people or fewer and around a third are freelance workers. Many creative organisations operate on a project-to-project basis, meaning their workforce expands and contracts throughout the year. As a result, those in the creative sector workforce often have portfolio careers consisting of multiple short-term contracts. These factors have previously made the deployment of apprenticeships significantly challenging, if not impossible, for large swathes of our industries.

The proposed flexi-job schemes, if effectively realised, will be a strong step towards mitigating past difficulties. Unlocking the potential of creative industries apprenticeships in the UK will deliver significant positive externalities: levelling-up; improved access, diversity and inclusion; increased job creation; and economic growth.

Prior to the pandemic, the creative industries were creating jobs at three times the UK average, employing 2 million people across the UK. Job growth boomed not just in London and the South-East, but in all nations and regions, among them Northern Ireland and the West Midlands, where employment grew by 21% and 30% respectively between 2010 and 2017. The sector was set to create as many as 1 million new jobs by 2030, and with effective policy interventions – including the creation of flexi-job apprenticeship schemes - can play a leading role in job creation once again.

However, there are acute skills shortages across various sub-sectors of the creative industries. Creative roles now make up 30% of government's Shortage Occupation List (SOL).¹ These shortages are expected to increase given the impacts of Brexit and the UK's creative industries' dependence on highly skilled international workers. This is concerning as creative roles will be needed more than ever over the next decade and beyond, with many creative jobs cited as being very likely to grow as a share of the workforce by 2030, by virtue of being resistant to automation.²

Such shortages are not only recognised by employers but have been identified as a major challenge. For example, the UK is a global leader when it comes to Film and High-End Television Production – a sector that relies on a creative and technically skilled workforce – but in a recent survey, 72% of employers across Film and High-End Television Production claimed skills shortages to be a 'serious or very serious problem'.³

By investing in flexible apprenticeship schemes that are suited to the realities of the project-based work often undertaken by small and microbusinesses in the creative industries, government will create new opportunities for the creative industries sector to engage in apprenticeship schemes,

¹ Immigration Rules Appendix Shortage Occupation List. Available at:

<https://www.gov.uk/guidance/immigration-rules/immigration-rules-appendix-shortage-occupation-list>

² 'The hopes and fears that creative employers have for "points-based" skilled immigration post-Brexit' Creative Industries Policy and Evidence Centre, led by Nesta. Available at: <https://pec.ac.uk/blog/creative-employers-hopes-and-fears-for-points-based-skilled-immigration-post-brexit>

³ 'High-end television in the UK 2020 workforce research' ScreenSkills, Available at: <https://www.screenskills.com/media/4327/2021-03-23-hetv-in-the-uk-workforce-research.pdf>

thus unlocking a new, diverse, and skilled talent pipeline that will bolster the future workforce of our world-leading sector.

Flexi-job apprenticeships will not just support a strong talent pipeline for the future; these schemes will promote social mobility and diversity within the creative industries. It is widely accepted that Covid-19 has exacerbated existing structural inequalities in the creative sector, which are sometimes formed in part by an irregular stream of income, especially for those at the beginning of their careers. By offering young people or early career individuals a consistent source of income, while still offering the benefits of moving between projects and undertaking training, flexi-job apprenticeships will help to mitigate against a known market failure in the creative industries and increase accessibility.

However, it must be noted that the flexi-jobs approach will not mitigate against all market failures within the creative industries, and must be used in conjunction with other methods, such as strong HE courses, as called for by trade and industry partners such as Goldsmiths University and GuildHE.

Question 2: How should flexi-job apprenticeships demonstrate that they are meeting the needs of employers

An employer satisfaction-based approach, that curates apprenticeship content and design in consultation with industry experts, will ensure that the flexi-jobs apprenticeship model effectively supports the UK's world-leading creative industries. Ensuring that the creative industries are supported by a strong talent pipeline is of vital importance to the UK's soft power: the creative industries contributed £115.9bn in GVA to the UK economy in 2019, which is greater than aerospace, automotive, life sciences and oil and gas sectors combined. The sector also represents 6% of the UK's GVA.

For the flexi-jobs proposal to succeed there are several factors that must be considered and addressed.

Relevant standards:

The creative industries are unique in their construction, and as such require standards that are specific to the industry. The Creative Industries Council has done significant work with Creative Sector Deal funding to consult with employers to increase the number of specialist standards. As yet, specialist standards for freelance work have not yet been considered in detail, due to the incompatibility of previous apprenticeship standards with freelance working. However, this is now set to change with the welcome flexi-job apprenticeship intervention by government.

The Creative Industries Federation is keen to work with the Department for Education, and other relevant trade and industry bodies, to build on the notable work being undertaken around the freelance working environment and to ensure that specialist standards that are applicable for work in this sphere are implemented.

Strong relationships:

For the flexi-job apprenticeship scheme to be successful, ATAs will require significant networks with local creative industries businesses, that are interested in engaging with the apprentices. Significant work will need to be undertaken to establish these links, prior to the recruitment of apprentices. The agency will also need to understand the specific needs of the businesses it intends to work with to ensure work placements are relevant to both apprentice and employer and fit within the constantly changing arena of projects that exist within local creative ecosystems at any one time.

We also recommend that training is front-loaded to ensure that apprentices are as equipped as possible to navigate their work placements, to the benefit of both the apprentice and employer. Front-loaded training would also allow for a short period of cohort-based work to be undertaken, if necessary, without significant diary conflicts.

Skills shortages:

As discussed above, there are evidenced skills gaps in the creative industries that will be exacerbated by the ramifications of Covid-19 and Brexit. DfE should work alongside organisations such as the Creative Industries Policy and Evidence Centre, to identify the best approach for ensuring that the flexi-job apprenticeship scheme meets relevant industry skills shortages. These demands would need to be re-assessed on a regular basis to foster the strongest possible talent pipeline that would directly meet business demand.

Question 3: What expectations should we set of flexi-job apprenticeship schemes in providing a high quality experience for apprentices?

The role of the flexi-job apprenticeship scheme will be to foster a strong future creative workforce that plugs skills gaps, maintains the UK creative industries' position on the global stage, and enhances the sector as it meets future challenges and opportunities.

The delivery of flexible off-the-job training that is compatible with the unpredictable, project-based nature of the work placements is essential. This training must be agile and deliverable to a high standard, regardless of cohort-size. The training delivered must be delivered by creative industries specialists who are experts in their field and knowledgeable about the intricacies and nuances of the sector.

Understanding the unique nature of the creative industries will be key to implementing a successful flexi-job apprenticeship model. The creative industries are dominated by freelancers and microbusinesses and work within these spheres requires functional business skills and knowledge (such as financial, HR, legislative or taxation) alongside significant soft skills (such as communication, problem-solving or networking). Research undertaken by BDRC highlights that creative businesses are keen to access advice and support: 67% creative SMEs would welcome more information about preparing to attract external finance and 55% knew they needed to develop their management and financial skills in order to grow their business.⁴ Off-the-job training in the flexi-job apprenticeship model must look to cover these key business skills, in addition to the subject specialist knowledge, to ensure that the apprentices are able to carve out viable careers once their apprenticeship has been completed.

Strong pastoral support will be needed throughout the apprenticeship, both between and during placements. This must be coupled with a strong relationship with the employers during the placements, to ensure productivity, relevancy and a positive working environment. It will also be necessary to provide continued support beyond the completion of the apprenticeship, to ensure that young people and early career individuals who have taken part in these placements are supported into work within the creative industries and based on creative skills.

⁴ 'Access to Finance' BDRC and the Creative Industries Council.

Question 4: What challenges and opportunities are relevant to flexi-job apprenticeship schemes achieving financial sustainability? How might they balance a fee-based model with other income streams?

Flexi-job apprenticeship schemes mirror and build on the ATA model. The agency acts as a coordinating body with an extensive service to provide, including but not limited to: placement sourcing, recruitment, administration of levy transfers, pastoral care, coordination of logistics, provision of out-of-job learning and after-apprenticeship care and support. This is a significant undertaking that will necessitate significant resources, including financing employees and equipment. Moreover, a flexi-job apprenticeship scheme will require ATAs to do more administrative and coordination work than a traditional ATA in sourcing and managing multiple placements. It will also need to cover potentially unknown costs to ensure that apprentices have a consistent wage, even when in-between placements.

Ensuring that the flexi-jobs apprenticeship approach is financially sustainable is of critical importance. At present, many larger creative businesses have already had to pay into the apprenticeship levy. On top of this, ScreenSkills estimates that an apprentice will cost approximately 1.6 times the amount of an entry-level new starter. Effectively, this means that larger organisations will have to pay a double premium if they wish to take on apprentices. For some, it is possible that they will accept this increased cost, given the positive externalities for the sector and beyond. However, for many smaller organisations that have lower turnovers and less resources, the increased cost of taking on an apprentice in comparison to a new entry-level starter will make engagement with the flexi-job apprenticeship scheme prohibitive. Given that 95% of the creative industries employ nine people or fewer, this may result in a low number of apprentice starters, due to lack of engagement from industry.

In order to overcome this obstacle, the proposed scheme must be used as a pilot to explore the opportunities for financial sustainability of any future schemes, and to measure industry engagement and willingness to fund the ATAs. Given that there is an existing apprenticeship levy, this could be unlocked to cover elements of running or training costs associated with the ATAs, relieving some of the pressure for industry. An entirely fee-based model that commits industry to covering financial sustainability may result in a lack of engagement from creative businesses, resulting in a lack of opportunity and therefore decreased apprentice starts.

Question 9: How do you think the performance and quality of approved flexi-job apprenticeship schemes should be monitored and assured after admission to the register?

Implementing a new flexi-jobs apprenticeship scheme offers an opportunity to set up a best practice approach for routes into the creative industries. The performance and quality of approved apprenticeship schemes must be monitored in a transparent manner that represents a gold-standard among existing apprenticeship schemes.

The flexi-job apprenticeship schemes should be implemented in full compliance with employment law and with extensive consideration given to best practice recruitment. Particular care should be taken to mitigate against barriers to access, such as unconscious bias or digital exclusion.

Ongoing surveys for the apprentices should be utilised to monitor the quality and extent of support received both during and between placements. Similar surveys should be instituted for the

employers to measure the support they have received from the ATA and other stakeholders in facilitating work placements for the apprentices.

Consistent and rigorous monitoring systems are needed to assess the rate of apprenticeship completion. However, monitoring must not cease at the point the apprenticeship finishes, particularly as there is an acknowledged evidence gap in relation to creative career progression. The way in which the creative industries are constructed, as a sector comprised mainly of micro businesses and freelancers, means that career pathways often take longer to realise as it is necessary to build expertise and reputation in non-traditional ways through, for example, networking or raising the profile of a business. This means that existing metrics that look to capture creative education outcomes, such as the Longitudinal Education Outcomes data, do not accurately reflect creative career progression.

Monitoring must be in place to capture the outcomes for those who undertake creative industries flexi-job apprenticeships. This monitoring must capture earnings, but also take a holistic approach to consider other metrics such as job satisfaction and motivation, exploring questions such as whether the apprentice secured work in their desired field.

Question 13: Are there any capital costs that a new or expanding flexi-job apprenticeship scheme might require funding for?

Throughout the pandemic, digital exclusion has been thrown into sharp focus. For many, access to technology and interconnectivity has been difficult or impossible, due to barriers such as cost or location. It is therefore important that all apprentices starting under the flexi-job apprenticeship scheme have the equipment needed to effectively engage with the programme, such as laptops, a phone or industry-specific items. These factors must be calculated into capital costs, to ensure that no prospective apprentice is disadvantaged or excluded due to their socio-economic background or other relevant factors.