

# **Get a move on!**

**Developing a national travel discount  
entitlement for all apprentices**

# Introduction

Two years ago the government committed to “introduce significantly discounted bus and train travel for apprentices to ensure that no young person is deterred from an apprenticeship due to travel costs.” Two years down the line we appear no closer to achievement of this policy objective. And this is in spite of a growing body of research findings showing that too many apprentices are caught in a poverty trap that is both limiting take-up of this vocational route and leading to high drop-out rates. It is astounding that, in this day and age, 40 per cent of apprentices say that they are spending more money on undertaking an apprenticeship programme – especially significant outlays for extras such as travel and childcare – than they get paid.

The TUC welcomed the government’s original commitment to reduce transport costs for all apprentices and the lack of progress on this is hugely disappointing. As we highlight in section 2 of this report, this feeling is shared by the House of Commons Education Select Committee who have repeatedly questioned government ministers on this matter. The latest response from government does not inspire confidence about rapid progress in the near future, with indications that funding for the policy now needs to be found, and committed to, in the next Spending Review.

In recent years the TUC and many other stakeholders have provided ample evidence to the government of the low income levels of many apprentices and how the operation and structure of the National Minimum Wage is a major driver behind this. Section 3 of our report looks into the broader research findings about the apprenticeship poverty trap and provides more detail about campaigns and research specifically relating to the impact of transport costs.

The lack of political will in Westminster to deliver on discounted travel for apprentices is contrasted by a range of innovative approaches that are being developed through devolved arrangements in England. For example, Liverpool City Region has recently committed to give all apprentices aged 16-24 in the region an entitlement to half price bus and train travel and these discounts are hailed to save apprentices up to £420 on bus fares and up to £680 on train fares annually. In Greater London apprentices aged 16-17 get completely free bus travel and 50 per cent off rail and tube fares and apprentices aged 18-24 get a 30 per cent discount in the first year of their apprenticeship. Greater Manchester will shortly be introducing a new scheme giving completely free bus travel to all young people aged 16-18 offering annual savings in excess of £500 and this combined authority also provides a range of travel discounts to apprentices, including access to free refurbished bikes. Section 4 of the report looks at local and regional schemes that are currently operating and identifies a

number of best practice options that could be drawn on by government to develop a national entitlement.

However, the main recommendation in this report relates to political will and the need for government to simply get a move on and deliver on their policy commitment. Until that happens too many of our young people, and especially those facing the greatest levels of disadvantage, will continue to be locked out of the apprenticeship programme and the prospect of developing sustainable employment and a decent career.

## **The government's policy commitment**

### **The case for change**

Transport costs comprise a major expense for apprentices and this is an increasingly significant factor driving the poverty trap that too many young people are caught up in. The above-inflation increases in public transport fares in recent years have, of course, made matters worse. For many individuals earning the apprenticeship minimum wage – currently £3.90 an hour<sup>1</sup> – the commute to their place of work accounts for a huge proportion of their weekly earnings. However, many apprentices paid above the apprenticeship minimum wage are still on very low pay rates and transport costs are therefore a significant barrier for the majority of young people on this training route.

Many young people facing financial pressures, of which transport costs are a major part, simply end up dropping out of their apprenticeship altogether. Some will never take up the offer of an apprenticeship because they recognise that the financial challenges in rural areas often compounded by lack of public transport make it an impossibility in their circumstances. As a result, we have a vicious circle of many young disadvantaged people ending locked out of labour market before their career has started because day-to-day expenses prevent them starting, or completing, an apprenticeship programme.

There are some parts of the country where local authorities are bucking the trend by supporting decent travel schemes for apprentices, including discounts that are in line with what is generally offered to FE and HE students in the local area. For instance, there is some limited support in Scotland for apprentice travel cost in the form of Young Scot Card offers discounts for 16-18-year-olds and in Wales mytravelpass provides bus discounts to all 16-21-year-olds. This report highlights good examples of such schemes but the reality is that

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<sup>1</sup> £3.90 apprentice minimum wage rate applies to apprentices under 19 and all ages in their first year of apprenticeship

they are few and far between and in many areas apprentices get little or no assistance with their travel costs.

The government has recognised that this is a major barrier for apprentices and that the patchy nature of support is inequitable. Two years ago it committed to address this by putting in place arrangements to enable all apprentices to access travel discounts so that they would not be deterred from taking up, or completing, an apprenticeship. As we highlight below, we appear no closer to attainment of this policy objective than we were two years ago and the government simply needs to get a move on and deliver on this.

In subsequent sections of this report we look at a range of research findings demonstrating the degree to which transport costs are one of the major barriers facing apprentices, especially those facing disadvantage on a number of other fronts. We then highlight some innovative travel discount schemes for apprentices that are in existence and how government should draw on them to establish a new national entitlement. Finally, the report includes a number of recommendations about the principles that should govern a new national travel discount entitlement that would genuinely deliver on the government's policy commitment.

## **The policy commitment**

In its manifesto for the 2017 election the Conservative Party made the following commitment: "We will introduce significantly discounted bus and train travel for apprentices to ensure that no young person is deterred from an apprenticeship due to travel costs." Subsequently this was adopted as a government policy objective by the government. Nearly two years later there is little progress towards a national entitlement to discounted bus and train travel for apprentices. What progress there has been is largely due to a number of initiatives developed by local authorities and transport authorities, including some schemes introduced by Combined Authorities. Some of the more innovative approaches are highlighted in section 4 of this report.

The House of Commons Education Select Committee has repeatedly called on the government to meet its commitment on discounted travel for apprentices. Last autumn it included the following recommendation in a major report<sup>2</sup> based on an inquiry held by the committee into apprenticeships: "The Government must stop dragging its feet over apprentice transport costs. It must set out how it plans to reduce apprentice travel costs, in a way which works for all regions and areas, in its response to our report, if not sooner."

In this same report the Committee said: "We have asked ministers on five separate occasions when the policy will be implemented. We have been told time and again that

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<sup>2</sup> House of Commons Education Select Committee (2018) The Apprenticeships Ladder of Opportunity: quality not quantity

discussions are ongoing. This is simply not good enough. The Government's continued inaction is preventing the young and disadvantaged from taking the opportunities that would otherwise be open to them."

In its response<sup>3</sup> to the Select Committee's report, the government stated that it would "write to the Committee in the coming weeks, including setting out the findings of bus research commissioned to inform its policy response to this challenge." The government also highlighted the following points:

- "Although there are no national concessionary schemes providing discounted travel for apprentices, there are some targeted schemes offered by local authorities, individual train or bus operators, and the National Union of Students. We also provide additional payments to employers and training apprentices who are young or from disadvantaged backgrounds. This funding can be used to support apprentices with travel costs where that is what's needed most."
- "We are encouraged to see that Mayoral Combined Authorities (MCAs) are already using newly devolved powers to meet the needs of apprentices in their area. In Liverpool, for example, the MCA have rolled out a scheme providing half-price travel to apprentices aged 19 to 24, on the same terms as the discount for 16 to 18-year-olds in full-time education, across all bus operators in the Liverpool City Region."
- "We recognise that more can be done to remove the barriers to young people taking up apprenticeship opportunities, but further discounts will require additional funding. The Departments for Transport and Education will continue to work together to support discounted travel for apprentices, including through existing apprenticeship funding mechanisms, but given the additional cost to the taxpayer, the focus of this work will now turn to preparing proposals for consideration at the forthcoming spending review."

When the Secretary of State was subsequently interviewed by the Committee on 16 January of this year he said<sup>4</sup>: "When we last corresponded before Christmas we were going to come back to you on the Department for Transport research project on buses, and we are not quite ready to do that yet but we will." The Minister did raise progress in some related areas, including the announcement that government is to launch a new 16 to 17 railcard this September allowing this age group to buy train ticket at child prices, which are 50 per cent of adult fares, and apprentices aged 16-17 will be able to benefit from this. The Secretary of State also referred to the one-off £1,000 payment that is awarded to employers

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<sup>3</sup> House of Commons Education Select Committee (2018) The Apprenticeships Ladder of Opportunity: quality not quantity: Government Response

<sup>4</sup> Oral evidence to Education Select Committee, 16 January 2019, available at:

<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/education-committee/accountability-hearings/oral/95188.pdf>

taking on apprentices aged 16-17 and the £1,000 a month bursary for care leavers recruited to an apprenticeship, both of which employers can draw on to subsidise transport costs for these particular groups.

However, the Chair of the Education Select Committee queried this response, saying: “There is not a specific programme as set out in the manifesto of getting rid of transport costs for apprentices ..... This was a firm commitment in 2017, so what is the timeline?” He also highlighted that the forthcoming 16-17 Railcard would only apply to a small proportion of apprentices. While the Secretary of State agreed that this was true, he contended that these recent initiatives could still potentially contribute to reduced transport costs for apprentices. Additionally, the Minister of State for Apprenticeships and Skills referred to research done by Department for Transport on options for concessionary schemes and mentioned that solutions are being explored<sup>5</sup> and lately the Department for Education and the Department for Transport have announced they are preparing a joint proposal for discounted public transport for apprentices<sup>6</sup>.

## Research findings

This section summarises recent research on the financial barriers facing many apprentices and, in particular, how transport costs are a major contributory factor on this front. Access to high-quality apprenticeships is, in many circumstances, an opportunity for young people to achieve a long-term career with good job prospects. But for the many the reality is very different, and they face many barriers and challenges that have previously blighted their opportunities and achievements in their earlier experiences of education and training.

The recent annual review by the Social Mobility Commission<sup>7</sup> highlights some of the key research findings about the barriers that disadvantaged young people encounter when taking up an apprenticeship and how this reduces social mobility.

### Apprentices and social mobility

The commission highlights that a key challenge is that many disadvantaged young people are trapped in the lower-level apprenticeship route (i.e. Level 2). It highlights research showing “that just 25 per cent of Level 2 apprentices, who are disproportionately made up of disadvantaged students, go on to complete a Level 3 apprenticeship.” While some of this

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<sup>5</sup> Letter published by Education Select Committee

<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/education-committee/school-and-college-funding/written/102007.pdf>

<sup>6</sup> Response to a written parliamentary question [www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2019-07-22/280469/](http://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2019-07-22/280469/)

<sup>7</sup> Social Mobility Commission (2019) State of the Nation 2018-19: social mobility in Great Britain

may be down to “learner choice”, the commission concludes there “is also possibly a factor of institutional and cultural barriers prohibiting progression.” This includes lack of a clear route from Level 2 to Level 3, poor careers advice for disadvantaged young people, and “a general lack of support to circumvent high rates of dropouts among apprentices.”

The commission refers to recent policy papers showing that the apprenticeship levy is fuelling a growth in higher level apprenticeships and that this is reducing the number of opportunities at Levels 2 and 3, which are important entry routes for many disadvantaged young people. At the same time the commission’s analysis shows that the “current socio-economic mix for higher level apprenticeships is approximately the same as in higher education training”.

The commission also highlights research showing that long-term wage gains for apprentices is much less for disadvantaged groups and that there are a number of possible drivers for this. Wage gains are understandably much lower for apprentices who drop out (between one third and 45 per cent of apprenticeship starts do not complete). DfE research<sup>8</sup> shows that “non-completion is more prevalent among those on lower levels of learning and among those who held lower level of qualification prior to starting their learning.” According to this research, other groups likely to not complete their apprenticeship include: disabled people, residents living in deprived areas, and those on lower incomes.

Other worrying trends that limit social mobility include “the clustering of disadvantaged students at lower level of apprenticeships .... as well as a clustering of disadvantaged students in certain courses”. The report refers to research showing that those apprenticeships which returned the highest wage progression – including engineering, construction and ICT - have the lowest proportions of disadvantaged students. Occupational segregation is a major problem in the apprenticeship programme. Research shows that young women, BME apprentices, disabled apprentices and other groups facing disadvantage are much less likely to access apprenticeships leading to well paid jobs over the longer term due to occupational segregation.

The commission calls on the government to “assess ways to improve progression of disadvantaged students beyond Level 2, including reviewing whether prior qualifications and other course requirements create barriers to entry and progression for disadvantaged students.”

## **The wider poverty trap**

A wide range of research has highlighted that cost of transport is a major financial barrier for apprentices and that in many instances this combines with low wages to create an

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<sup>8</sup> Thornton, A. et al (2018) Learners and Apprentices Survey 2018, DfE Research Report

unacceptable poverty trap. Too often this results in young people being unable to accept a position they are keen on, or they do begin their training but are then forced to drop out before they complete their apprenticeship, with financial pressures playing a key role.

The national minimum wage (NMW) rate for apprentices is currently £3.90 an hour for all those aged under 19 and those aged 19+ who are in the first year of their apprenticeship (NMW age-related rates then apply as with all other employees). The government's official apprenticeship pay survey shows that many get paid even less than this – nearly a fifth (18 per cent) do not get paid the NMW rate that they are due. In some occupations a shockingly high proportion do not get the legal minimum, for example, 44 per cent in hairdressing.

In addition to tightening up enforcement of the apprenticeship NMW, the TUC has called on the government, as a minimum, to immediately raise it to the level of the young workers rate (currently £4.35). It has also called for a realignment of the young workers rate in order to “narrow the gap between adults and younger workers as quickly as can be sustained” and for all 21-24-year-olds to be paid the full NMW rate (including the “national living wage” supplement). Reforms along these lines would go some way to tackling the poverty trap many apprentices are caught up in.

For many, the combination of low pay rates and various working expenses makes an apprenticeship either impossible or a financial nightmare. One research study shows that 40 per cent of apprentices are spending more money on undertaking an apprenticeship programme – including outlays for extras such as work clothes, travel and childcare – than they get paid.<sup>9</sup> There is also evidence of other poor employment practices affecting too many apprentices. For example, Ofsted inspections of apprenticeship providers has highlighted that some apprentices are not in employment (which government regulations do not allow) and that others are working on zero-hours contracts (which is allowed by the regulations but clearly open to exploitation).<sup>10</sup>

## **TUC policy reform proposals for apprenticeships**

The TUC has proposed a number of policy reforms to tackle the barriers to social mobility and the poverty trap highlighted above. In addition to the NMW policy measures referred to, we continue to press for reform in the following key areas:

- The TUC is calling for a new “right to progress” for apprentices to prevent them being trapped at Level 2. This new right would entitle anyone undertaking a Level 2

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<sup>9</sup> See TES report, at [www.tes.com/news/further-education/breaking-news/four-10-apprentices-pay-more-their-course-they-earn-salary](http://www.tes.com/news/further-education/breaking-news/four-10-apprentices-pay-more-their-course-they-earn-salary)

<sup>10</sup> Ofsted (2017) The Annual Report of Her Majesty's Chief Inspector of Education, Children's Services and Skills 2016/17



apprenticeship to progress to a full Level 3 apprenticeship once they achieve the Level 2.

- The TUC is concerned about the quality and duration of much apprenticeship training. To tackle this, government needs to instigate stricter enforcement of training standards, especially the ruling that all apprentices should have 20 per cent time off for off-the-job training as the training regulations require.
- The remit of Institute for Apprenticeships and Technical Education should be reformed to cover equality and diversity with a requirement that it should publish an annual equality and diversity plan, which sets out the key steps that should be taken to widen access to apprenticeships for under-represented groups and to combat high levels of occupational segregation
- The TUC is calling for a range of flexibilities to the apprenticeship levy, including allowing employers to use some of their levy contributions to fund innovative pre-apprenticeship programmes to support transition to a full apprenticeship, especially for disadvantaged groups
- In line with “social partnership” arrangements in most other countries, government should give unions a strategic voice on apprenticeship standards and related matters. This should include positions for unions on the board of the Institute for Apprenticeships, which is currently dominated by employer representatives.

## **The travel costs barrier – research and campaigning**

### **National Union of Students (NUS)**

For some time NUS has been campaigning extensively about the barriers that apprentices and students face when it comes to transport costs. NUS has recently drawn together much of its analysis and recommendations on this issue through the work of the NUS Poverty Commission, which published a landmark report<sup>11</sup> in April 2018. The TUC was a member of the Commission and also submitted evidence to inform its work. One of the key recommendations in the TUC evidence called for the “development of a national discounted public transport card for all post-16 students and apprentices” that would draw on the best aspects of existing good quality discount schemes.

The NUS Poverty Commission report, *Class Dismissed*, includes detailed findings about the impact of transport costs on apprentices and students. For example, it highlights that it

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<sup>11</sup> NUS (2018) *Class Dismissed: getting in and getting on in further and higher education*. Report of the NUS Poverty Commission

“was the most commonly cited problematic area of expenditure in the evidence submitted to the Poverty Commission.” It also concluded that “almost all respondents who identified transport costs as a barrier for working class students recommended that the government should provide free or heavily subsidised public transport for students and apprentices in order to attend their place of learning or training.”

The NUS #MyFEJourney campaign led by Emily Chapman (NUS Vice President FE) has drawn on individual feedback from apprentice and students about the impact of transport costs. Last May the NUS made a commitment that over the coming 12 months “#MyFEJourney will be the campaign to make this government keep its promise to apprentices”.<sup>12</sup> The campaign has consistently highlighted this policy failure and drawn on the “#MyFEJourney survey<sup>13</sup> of 1,000 young people, a third of whom were apprentices. A key finding from the survey is that apprentices are excluded from many existing discount schemes. It shows “that there is currently a gap in the offering, where many local councils will offer discounts to those aged up to 18, and those in full-time education, but this does not cover apprenticeships [our emphasis]”.

NUS has also highlighted that whilst apprentices can use the railcards for young people to reduce their travel costs in certain circumstances, this is generally not the case during peak commuting times when most apprentices will be travelling to their place of work. It has therefore called for the peak time minimum fare cap to be lifted from the rail card usage conditions to allow it to provide a discount to apprentices travelling during normal commuting periods.

In the long-term NUS has said that it would also “like to see free bus and tram travel, if not all travel, extended to all 16-19-year-olds, enabling young people to access further study, training or work without a financial barrier.”

### **Education Select Committee’s findings**

As highlighted in section 2 of this report, the Education Select Committee has been lobbying government ministers for the last two years to deliver on the policy commitment to provide discounted travel to all apprentices. Like the NUS and other stakeholders, the committee has pointed out that travel costs for apprentices in rural areas can be even more acute because public transport can be inconvenient and unreliable when it is available at all, and car ownership is beyond the means of most apprentices. It has also highlighted that in some circumstances “investing in a season ticket may not be possible when an apprentice’s employer and training provider are far apart”.

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<sup>12</sup> NUS Press Release (21 May 2018), Getting There is Half the Fun - where next on #myFEJourney?

<sup>13</sup> Available at: [www.nusconnect.org.uk/resources/myfejourney-survey-briefing](http://www.nusconnect.org.uk/resources/myfejourney-survey-briefing)

Evidence submitted to the committee's recent inquiry on apprenticeships suggested a range of potential solutions, including "allowing employers to use levy funds to help disadvantaged apprentices with such costs" and the fact that "local authorities can mandate discretionary fares for apprentices." However, the government is not currently willing to support such flexibilities to the apprenticeship levy and the reality is that only some local authorities and Combined Authorities are taking a proactive approach on providing discounted travel to all apprentices (see following section for more details).

### **Research by the Skills Commission**

Another body that engages closely with Parliament – the Skills Commission – has produced a report<sup>14</sup> of an inquiry it held into barriers to social mobility for apprentices, including travel costs. This inquiry also welcomed the government's commitment to develop a national apprenticeship travel discount entitlement but raised concerns that "as yet there is no indication of how or when this pledge will be implemented." The Commission's inquiry into barriers facing young people drew on the findings from focus groups with apprentices themselves and this highlighted the extent to which transport costs limited opportunities on a number of fronts.

A key conclusion of the commission's inquiry was that travel costs not only limit take-up and completion of apprenticeships. Important as that is, the barrier also means that low-income groups cannot afford to apply for apprenticeships outside a very circumscribed local area because of travel costs and/or limited public transport. Apprentices from Doncaster involved in a focus group organised for the inquiry, said the following:

"I think transport's key, if you have transport then you look...with just public transport we were kind of restricted to the area... there is quite a lot, but it does restrict you. It's not the best pay either so it's expensive to travel far...It can be like £20 a week to get to work and that's quite a lot out of your wage, nearly a fifth out of your wage already."

As well as calling for urgent action by government to deliver on the universal travel discount, the inquiry highlighted the inequitable treatment of apprentices compared with FE/HE students in many existing public transport discount schemes across the country. While full-time FE/HE students are often entitled to discounts, this is not the case with apprentices, including those aged 16-18 who are now mandated to be in full-time education or work-based training. The inquiry concluded that "it seems illogical to the Commission" that young apprentices are not entitled to these student discounts on a similar basis, especially in light of the very low wages that are paid to many apprentices". The Commission recommended that "the government should urgently introduce subsidised travel for apprentices, bringing discounts in line with those in full-time education."

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<sup>14</sup> Skills Commission (2017) Spotlight on Apprenticeships and Social Mobility

## **A national scheme – drawing on best practice**

All Metro Mayors now have greater powers to develop apprenticeship discount travel schemes for bus journeys because of additional powers over bus services granted to Mayoral Combined Authorities through the Bus Services Act. Below we set out some examples of where MCAs have been taking advantage of these new powers and we also highlight how the Greater London Authority has used its long-standing regulatory role on transport across the capital to provide discounts for apprentices.

However, we also show that local authorities in England that do not have MCA status can also do much to provide discounted travel arrangements for apprentices. And we also highlight that where there is political will, the apprenticeship discount can be extended to other forms of public transport, in particular overland and underground rail travel. Based on the information that is available about existing discount schemes, we have highlighted a range of best practice options that can be drawn on to develop a national entitlement that the government could, and should, roll out as soon as possible.

### **The Liverpool City Region scheme**

The apprentice transport discount initiative introduced by Liverpool City Region (LCR) in November of last year is a highly equitable and simple scheme which the TUC has positively welcomed. This Mayoral Combined Authority covers six local authorities – Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral. The new Apprentice Travelcard entitles apprentices aged 19-24 to half-price travel on the same terms as the existing discount for 16 to 18-year-olds in full-time education or training. The discount applies to all bus operators in the Liverpool City Region and is a joint venture between LCR and the Bus Alliance (comprising Merseytravel, Stagecoach and Arriva). In July 2019 LCR announced that the Apprentice Travelcard also covers now rail travel. In effect this means that all apprentices in Liverpool City Region aged 16-24 are now entitled to half-price weekly and four-weekly bus passes and weekly and monthly season tickets for trains.

According to the Metro Mayor of Liverpool City Region, Steve Rotheram, the new travel discount scheme means that all apprentices aged 16-24 in the region will be able to save up to £420 per year if they utilise the discount fully and up to £680 a year on train travel. He said that “the cost of travel has been putting some young people off taking up apprenticeship opportunities, which is why I am so pleased that we have been able to introduce this discounted scheme.” He also highlighted that “devolution gives us the opportunity to do things differently, to take greater control of our buses” and this has been a major factor in empowering the Mayor to be able to come to an agreement with the bus providers on the new apprenticeship discount.

## The Greater London Authority scheme

Greater London is one part of the country where an authority has retained full control of the public transport system and where deregulation has been largely kept at bay through the role of Transport for London (TfL). The remit of TfL is also very extensive as it has responsibility for most of the public transport system, including the London tube, buses, trams and some parts of the rail system. The automated Oyster card ticketing scheme (which can also be accessed via use of contactless bank cards) extends across all forms of public transport in London, including the commuter rail networks running into and throughout London.

The automated Oyster ticketing scheme enables the London Mayor, in partnership with TfL, to easily apply a range of discounts for particular groups, including apprentices and students. The Oyster card scheme has a number of discounts that apprentices have access to. For apprentices aged 16 and 17 there is the 16+ Zip Oyster card which provides 50 per cent off bus/tube journeys and most rail journeys. However, if you are aged 16 and 17 and resident in a London borough the 16+ Zip Oyster card provides completely free travel on buses and trams and 50 per cent off tube journeys and most rail journeys. For apprentices aged 16-17, this is the most generous discount scheme that we are aware of across England.

There is also an Oyster discount scheme offered to London apprentices aged 18 and over, but this is limited to the first year of the apprenticeship. If you are aged 18 and over, live in a London borough and are in your first year of an apprenticeship, you can get discounted travel with an Apprentice Oyster photocard. This allows you to get a 30 per cent discount on travelcards and season tickets covering all modes of transport in the capital. However, in the second and subsequent years of the apprenticeship individuals have to pay full adult fares on all public transport, unlike full-time FE/HE students who have an entitlement to this discount for the duration of their course.

If you have a national young person's railcard, you can also ask TfL to load this onto your Oyster card and this gives you a 34 per cent discount on off-peak pay as you go fares and off-peak daily fare caps on most forms of public transport in the capital.

## Other innovative approaches

Some other Combined Authorities and local authorities are also developing a range of discount schemes for apprentices, including the following examples:

- Greater Manchester Combined Authority and Transport for Greater Manchester are offering apprentices within the first 6 months of their apprenticeship a range of benefits, including:

- Completely free bus travel for 4 weeks (£120 saving) followed by a sliding-scale discount for subsequent three 4-week periods which respectively provide savings of £95, £70 and £45
  - If an apprentice would prefer to cycle and doesn't have a bike, they can take up an offer of a refurbished bike which has been fully repaired and checked along with a free helmet, lock, hi-vis jacket, lights (and access to free cycle safety training if required). After 3 months apprentices are able to keep the bike and accessories for ever
  - Access to a free electronic Personalised Travel Plan setting out the best routes for journeys by public transport, cycling or walking
  - Greater Manchester will shortly be introducing a new scheme – Our Pass – providing completely free bus travel to all young people aged 16-18 that will offer annual savings in excess of £500.
- West Midlands Combined Authority and Transport for West Midlands are offering apprentices aged 16-18:
    - The equivalent travel discount that was previously only available to school and college students. The 16-18 photocard is now available to everyone in this age group regardless of their educational/employment status and it allows them to continue to buy child single, return and season tickets for the bus, train and tram (and thereby saving up to 50 per cent)
    - The photocard is free to order and it is Swift-enabled, meaning there is no need for a paper ticket
- Since November 2015 half-fare bus and train travel was extended to all 16-18-year-olds living in West Yorkshire Combined Authority. The change was part of plans by the Combined Authority to increase young people's access to apprenticeships and training.
- Gloucestershire County Council offers an apprenticeship travel discount scheme called Thinksmart. If you are a resident of Gloucestershire, employed in a Gloucestershire apprenticeship and are aged 16-24, you can apply for a Thinksmart bus pass for journeys to and from your workplace/college. The bus pass allows the apprentice to travel free of charge for up to 100 journeys on local bus services in Gloucestershire over the period of their apprenticeship.

## Principles for a national discount entitlement?

The above discount schemes include a range of best practice options that can be drawn on to develop a national entitlement that the government could roll out, including the following:

- All apprentices should be entitled to the same public transport discounts that are made available to school pupils and students attending sixth form/FE colleges and universities in a local area (e.g. along the lines of the Liverpool City Region scheme)
- Young apprentices aged 16-17 are a special case - they are mandated to be in education or training and employers can pay them the apprenticeship minimum wage of £3.90 an hour while they are this age. There is a strong case for boosting the travel discount for apprentices in this age groups (e.g. along the lines of the GLA scheme, which offers completely free travel on buses and trams and 50 per cent off tube journeys and most rail journeys for apprentices in this age group who are resident in London)
- Apprentices aged 18-24 are too often not offered any discount or a much more limited offer in localities that are currently providing some form of discount (with the exception of the scheme offered in Liverpool City Region). Many apprentices in this age group are on low wages (e.g. they can be paid £3.90 an hour in the first year of their apprenticeship) and they should as a minimum be entitled to the same discount as local FE/HE students
- Many existing discount schemes only apply to bus travel and this discriminates against apprentices who are obliged to use train travel to commute to their place of work. Apprenticeship discount schemes should extend to tube/train transport (e.g. as in the GLA scheme and the West Midlands and West Yorkshire schemes). In addition, peak time minimum fare caps should be lifted from the rail card usage conditions to allow it to provide a discount to apprentices travelling during normal commuting periods.
- The option of cycling should be an element of any apprenticeship travel discount scheme along the lines of the "cycle offer" that is currently provided by the scheme in Greater Manchester.

A new national entitlement drawing on the above principles of best practice would be a powerful policy driver. In addition to reducing the number of apprentices failing to complete, it would increase the numbers willing to apply for an apprenticeship in the first place, thereby boosting recruitment, retention and completion rates. And importantly, the impact of this would be felt greatest among young people from our most disadvantaged communities who face major barriers to accessing apprenticeship programmes because of financial barriers, especially transport costs.