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Mr Iain Heath
Head of Emerging Talent, UK
HSBC Bank PLC
120 Edmund Street
Birmingham
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Dear Mr Heath

Short inspection of HSBC Bank PLC

Following the short inspection on 9 and 10 January 2018, I write on behalf of Her Majesty's Chief Inspector of Education, Children's Services and Skills to report the inspection findings. The inspection was the first short inspection carried out since the provider was judged to be good in August 2013.

This provider continues to be good.

Since the previous inspection you and your staff have continued to provide good-quality apprenticeship programmes for employees of the HSBC Bank PLC group. Managers have continued to build on the strong partnership you have with the subcontractor that delivers these programmes on your behalf. Through the regular meetings, monitoring and the effective management of the subcontractor's performance and quality, managers have ensured that apprentices continue to receive a good standard of teaching, learning and assessment and make good progress.

Leaders, managers, staff and apprentices have high expectations. The majority of apprentices achieve their qualifications within the planned time and almost all remain in employment with HSBC Bank PLC. A high proportion gain promotion on completion of their apprenticeship and acquire additional levels of responsibility. For example, apprentices make decisions on small business loans up to £30,000. Apprentices work in a wide variety of job roles, such as cashiers, business specialists and customer service assistants.

Apprentices continue to develop well their skills and knowledge within the banking and financial sector. They develop in confidence, gain excellent communication skills and adapt their behaviour effectively to meet the needs of a wide range of customers.

Safeguarding is effective.

Safeguarding arrangements meet statutory requirements. Leaders have ensured that there are appropriately trained designated safeguarding officers at the bank, and with the subcontractor in each region. Officers deal promptly and well with the small proportion of safeguarding referrals. Managers maintain good relationships with external agencies to ensure that apprentices are safe.

Apprentices have a good understanding of keeping themselves safe while working online and understand well their own responsibilities when working within the highly regulated financial industry. For example, they know how to escalate concerns they may have about clients' financial transactions.

Apprentices have an adequate understanding of the potential threat posed by those who hold radical and/or extreme views. Staff and apprentices receive appropriate training about the 'Prevent' duty. Training prepares apprentices effectively for dealing appropriately with hostage situations, armed robberies and intruders at the bank, but does not prepare them sufficiently for a potential terrorist incident while at work.

Inspection findings

- Leaders and managers have successfully implemented plans to offer traineeships, work experience and a variety of entry and progression routes for apprentices. This includes direct entry from school and a fully funded traineeship programme which supports candidates who are not in education, employment or training (NEET). Apprentices can now progress on to the internal graduate or international manager programme. Through the 'movement to work' group, HSBC Bank PLC commits to recruiting NEETs on to the apprentice programme and into their wider workforce. Senior leaders are also committed to increase the number of 16- to 18-year-olds on to apprenticeship programmes.
- Leaders and managers have recently implemented the new standards-based apprenticeships in financial services, business administration and customer services. Numbers on these programmes are currently very small. Leaders have agreed with branch managers to the 20% off-the-job training requirement for standards-based apprenticeships and also apprentices on frameworks. The majority of apprentices are receiving this entitlement. However, in a minority of cases, apprentices on frameworks have too little release time from work to complete off-the-job training and a few managers are not clear on what counts as off-the-job training.
- Managers use data effectively to identify trends in achievement and the progress of apprentices. Managers have further improved their use of data to ensure that they have good evidence to challenge their subcontractor should apprentices fall behind in their learning. Managers use comprehensive quality assurance measures and all aspects of learning undergo analysis. Managers provide highly effective reports to the executive board of HSBC Bank PLC, which give senior leaders a good summary of the quality of learning, strengths and any areas for

improvement required.

- Current apprentices make good progress in completing their qualifications, as a result of regular and effective training, support and assessment. Talent coaches are supportive and very knowledgeable; all have an HSBC Bank PLC background and motivate apprentices to do well. Apprentices know what progress they have made in completing units and assessments, and what they need to do to achieve in time.
- Talent coaches plan learning and assessment sessions well. They work closely with apprentices' line managers to ensure that activities meet the requirements of apprentices' job roles, and that apprentices can apply their learning in the workplace. Talent coaches use discussions with managers effectively to ensure that evidence of apprentices' performance at work is taken into account during workplace assessments.
- The majority of apprentices benefit from clear, regular and focused progress reviews, which enable them to understand and reflect on the skills and knowledge they have developed. For example, they use correct terminology, such as 'truncation' when clearing cheques and 'countermanded' when cancelling cheques. Apprentices understand well what they need to do to improve. However, in a few instances, targets set for apprentices are too vague, focus on the achievement of units only and lack sufficient detail to provide apprentices with the small steps on how to achieve the required outcome.
- Apprentices benefit from effective advice and guidance to prepare them for a career in the financial sector. Managers have ensured that there is a broad range of career pathways to complement the apprenticeship routes available to employees. Apprentices are well matched to their programme and understand the opportunities available to them. Apprentices access the HSBC Bank PLC intranet to research and apply for job vacancies. Talent coaches provide detailed information about the necessary skills required to apply for specific job roles and support apprentices to develop these skills in their one-to-one sessions.

Next steps for the provider

Leaders and those responsible for governance should ensure that:

- all staff set apprentices clear and focused targets to support them to take the steps needed to achieve the task set
- apprentices understand how to respond appropriately in the event of a terrorist attack in the workplace
- managers and staff fully understand what counts as off-the-job training and that all apprentices receive their full entitlement consistently across the new standards-based apprenticeships and apprenticeship frameworks.

I am copying this letter to the Education and Skills Funding Agency. This letter will be published on the Ofsted website.

Yours sincerely

Jane Hughes
Her Majesty's Inspector

Information about the inspection

Two of Her Majesty's inspectors and three Ofsted inspectors, supported by the head of emerging talent, UK, carried out the inspection at short notice. We visited branches across the country to observe learning, and interview apprentices and managers. We telephoned apprentices and talent coaches, and accessed the e-portfolio system remotely. We viewed key documents, including managers' most recent self-assessments of performance, and documents relating to safeguarding.