



To: Scrutiny Board

Date: 5th March 2018

Subject: Apprenticeships and Apprenticeship Levy

1. Purpose of Note

The purpose of this note is to provide Scrutiny Board with an overview of the current number of apprentices currently on Coventry City Council's Apprenticeship Programme and to inform Board Members of the progress being made to ensure that Coventry City Council spends its £1m contribution to the Apprenticeship Levy fund.

2 Recommendations

2.1 Scrutiny Board are being asked to endorse work undertaken to date and provide any additional guidance and/or suggestions on the Council's approach to Apprenticeships and the Apprenticeship Levy spend.

3 Apprenticeships

3.1 The Council's Apprenticeship and Early Careers Team which forms part of the Council's HR & OD service are responsible for managing the Council's Apprenticeship Programme and implementing the actions set out in the Council's Apprenticeship Strategy 2016 – 19.

3.2 The Council currently has 100 apprentices on its programme. 35 are located within service areas across the Council and 65 are located in maintained schools across the City

3.3 The Council currently has 7 Apprentices who are Looked After Children (LAC).

The Apprenticeship Team are making good progress with the implementation of actions set out within the Apprenticeship Strategy. Further work is currently being undertaken to ensure that the Council widens participation by targeting under-represented groups of your people such as young people with a disability, NEETs, young refugees, Black, Asian and Minority Ethnic (BAME) young people and looked after young people. In addition further work is required to ensure that effective workforce planning takes place across all service areas so that we are able to provide permanent employment for our Apprentices as part of the Council's 'Grow Our Own' and succession planning model.

3.4 Apprentices are currently allocated as follows:

• Total number of apprentices in post	100
• Total number in Council	35
• Total number in Schools	65

3.5 Apprentices by Directorate:

• People	23
• Place	12

3.6 Apprentices by vocational area:

• Business Administration	32
• Customer Service	1
• Vehicle Maintenance & Repair	1
• IT Infrastructure	6
• Supporting, Teaching & Learning in Schools	37
• Physical Education in Schools	7
• Children's & Young People's Workforce	7
• Facilities Management	2
• Highways	2
• Civil Engineering	2
• Construction	1
• Design	1
• Technical Support in Town Planning	1

3.7 Apprentices by level:

• Level 2	33
• Level 3	67

3.8 Apprenticeship Destinations

Since the launch of the Apprenticeship Strategy in January 2016, 108 Apprentices have completed their Apprenticeships. Of those Apprentices, 65 have either entered employment or University. Of the 65 that went into employment following their apprenticeship, 46 gained employment with the Council or a Coventry School, with the remaining 19 gaining employment elsewhere.

3.9 The Apprenticeship Team are in the process of appointing to the position of Apprenticeship, Work Experience and Internship Advisor whose duties will focus on ensuring that the Council is able to offer work experience placements for under-represented young people across our City and graduates looking for internships. This new appointment will enable the Apprenticeship & Career Development Pathway Lead to focus on creating Career Pathways across the Council.

4 Apprenticeship Levy

- 4.1 In April 2017, the way the government funds apprenticeships in England changed with the introduction of the Apprenticeship Levy. The Levy is paid at 0.5% of the pay bill minus a Levy allowance of £15K for each tax year.
- 4.2 The Levy is collected monthly by HMRC via the PAYE system and converted into digital vouchers accessed through a new Digital Apprenticeship Service account (DAS). Levy funding can only be spent on Apprenticeship training it cannot be used to recruit employees.
- 4.3 The Employment & Skills funding Agency (ESFA) previously funded Apprenticeship training by paying training providers directly. Depending on the amount of funding a provider receives for a qualification they may pass some of the costs on to the employer.
- 4.4 Prior to the introduction of the Apprenticeship Levy, payment for corporate Apprenticeship training cost approximately less than £5000 per year in total. The reason for this was due to Providers forfeiting the cost.
- 4.5 The yearly cost of the Levy to Coventry City Council is in the region of £1m with approximately £600K allocated from the corporate wage bill and a further £400 allocated from maintained schools wage bill. The government also tops this up by a further 10%, making the total amount of funding available circa £1.1m.
- 4.6 Levy funding lasts 24 months and if it is not spent in this period it is reabsorbed by the Employment and Skills Funding Agency.

4.7 Progress to date

The Council is currently supporting 76 traditional apprenticeships from the Levy funding, the remaining 24 apprentices were appointed before the Levy was introduced in April 2017. As the levy can also be used to support the upskilling of existing employees the Apprenticeship Levy Development Co-ordinator and the Organisational Development Team are currently using the Levy to create opportunities for existing employees to gain formal qualifications through a range of professional apprenticeships such as the Chartered Management Institute (CMI) leadership and management development programme (level 3 and 5), a project management qualification, a civil engineering qualification, a chartered legal executives course and supporting teaching & learning in schools. The portfolio of Apprenticeships for existing employees will evolve significantly in 2018/19 as more apprenticeship standards are released by the Skills Funding Agency. One of these Standards will include the Apprenticeship Standard for Social Work.

Analysing current training spend

An analysis of corporate training spend has been undertaken and it is likely that there will be other potential opportunities to use the Apprenticeship Levy to support employee upskilling which will in turn provide further savings for the Council by reducing the corporate training spend. One of these areas is likely to be the Chartered Institute of Public Finance & Accountancy (CIPFA). Further scoping and engagement work will be undertaken by the Apprenticeship Levy Development Co-ordinator to identify further opportunities for using the fund.

Spend so far

£39,150 to date on payment programme.

£275,500 with planned starts (which includes qualifications for existing employees).

Projection spend based on Apprenticeship training requirements across the Council by 2020 £912,000 + £275,500 = £1,187,500 (this figure does not include any new apprenticeships, where standards are yet to be released – Social Work).

Working with schools

A range of information relating to the Apprenticeship Levy has been sent to all schools that contribute to the Council's Levy funds, including those Academies who are not currently working closely with the Apprenticeship Team. Members of the Apprenticeship Team have attended both the Primary, Secondary and Special Schools Head Teachers Partnerships meetings on the 16th March 2017, 15th March 2017 and 10th February 2017 with follow-up visits having taken place on 31st January 2018, 1st February 2018 and 2nd February 2018 respectively.

4.8 Offer Apprenticeships to natural 'new hires'

Aligned with the Council's Talent management and Recruitment strategies, the Apprenticeship Team intend to explore the possibility of using Levy funding to support the development needs of new hires after the completion of their probationary period. The Apprenticeship team are currently working with managers to identify opportunities.

4.9 Utilising the Employer Incentive

There is currently an incentive of £1000 available from the Government to support employers who recruit Apprentices aged 16-18 (or 19-24 who are on an Education, Health & Care Plan). This £1000 cashback is paid via the training provider at month 3 (£500) and the end of the programme (£500). The £1000 incentive does not enter back into our Levy account and is a cash incentive. Coventry City Council will use this money to provide further support for our Looked After Young People to enable them to gain further opportunities to access work trials, placements, apprenticeships and employment opportunities across the council.

4.10 Monitoring quality

The Apprenticeships and Early Careers Team have been undertaking quality checks on Training Providers that currently deliver Apprenticeships to the Council so as to benchmark and ensure that the service we receive is of the highest quality. This will ensure that Coventry City Council only works with Training Providers on the register of Apprenticeship Training Providers (RoATP). The team will also be reviewing the expertise of the staff from each Provider and consider their Ofsted grades and learner success rates when making Provider decisions. All providers of apprenticeship training must also register and be approved through the Council's Dynamic Procurement System (DPS) and its associated processes.

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