



To: Scrutiny Board 1

Date: 15th January 2020

Subject: Apprenticeships & Apprenticeship Levy

1 Purpose of the Note

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

2 Recommendations

Scrutiny Board 1 are being asked to comment on the Council's approach to delivering its Apprenticeship programme and the use of the Apprenticeship Levy spend.

3 Background and context

Public sector apprenticeship targets were introduced by the Government in April 2017. The government sets a target for any public sector employer in England with at least 250 employees to employ an average of 2.3% of their headcount as new apprentices. Coventry City Council as an employer has its own long-established apprenticeship programme and won the Top Employer for School & College Leavers Award for 2016 – 2017.

4 Coventry City Council's apprenticeship programme

- Between April 2018 – December 2019 the Council employed 141 apprentices which equates to on average 1.7% of the Council's overall headcount and less than 1% of the corporate headcount.
- The Council currently has 115 apprentices on programme, 28 are located within service areas across the Council and 87 are in maintained schools across the City.
- The Council currently supports through direct funding 20 strategy apprenticeship posts with all other apprenticeship posts being funded directly by service areas or schools.
- The Council currently has 11 apprentices who are Looked After Children/Care Leavers (LAC).
- 3.94% of the Council's workforce are aged between 16-24, whereas 46.37% of the workforce are aged over 50, which suggests a risk in terms of our skills and knowledge deficit over the next 10 years if not addressed.
- In April 2018 - Dec 2019, there were 407 Grade 2/3 posts recruited to, which presents an opportunity to develop a talent pipeline for future talent, improve the diversity of our workforce and lead the way across the public sector.

4.1 Summary of current apprentices in post

Apprentices are currently allocated as follows:

Total number of apprentices in post	115
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Total Number in Council	28
Total Number in Schools	87

Apprentices by Directorate:

People	19
Place	9
Schools	87

Apprentices by level:

Level 2	46
Level 3	66
Level 4	3

Apprentices by ward:

Ward of Residence	No. Of Apprentices	LAC	TOTAL
Bablake	5		5
Binley and Willenhall	4	1	5
Cheylesmore	7		7
Earlsdon	3		3
Foleshill	3	1	4
Henley	6		6
Holbrook	12		12
Longford	4		4
Lower Stoke	6		6
Radford	6	2	8
Sherbourne	6	1	7
St Michael's	2	1	3
Upper Stoke	2		2
Wainbody	1		1
Westwood	7	2	9
Whoberley	8	1	9
Woodlands	4	1	5
Wyken	6	1	7
Outside Coventry	12		12
TOTAL	104	11	115

4.2 Apprenticeship qualifications currently undertaken

- Business Administration
- Customers Services
- Supporting Teaching and Learning in Schools
- Supporting Teaching and Learning in PE & Schools Sport Activity Leader
- Early Years Educator
- Teaching Assistant
- IT Infrastructure Technician
- Surveying Technician
- Environmental Conservationist
- AAT
- Automotive Maintenance & Repair Heavy Vehicles
- Horticulture
- Children & Young People's Workforce
- Installation Electrician/Maintenance Electrical
- Plumbing & Domestic Heating Technician
- Data Analyst
- Facilities Management.

4.3 Apprenticeship Destinations

During the period 1st April 2018 – 15th December 2019:

- 77 of the Council's 141 apprentices completed their apprenticeship.
- Of those 77 apprentices, 62 have entered either permanent employment, progressed to a higher-level apprenticeship or College/University.
- 40 of the 77 were retained by the Council and 15 obtained employment externally.
- 16 progressed to a higher-level apprenticeship, further education or higher education.

4.4 Apprenticeship Incentives

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 has used a proportion of the incentive to support our Looked After Young People to enable them to gain further opportunities to access work trials, placements, apprenticeships and employment opportunities across the Council.

5 Apprenticeship Levy

5.1 Background and Context

In April 2017, the Government introduced the Apprenticeship Levy to fund apprenticeships in England. The Levy which is a Council resource is paid at 0.5% of the pay bill minus a Levy allowance of £15K for each tax year. 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 support the recruitment of employees.

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 our maintained schools wage bill. The government also tops this up by a further 10%, making the total amount of funds available circa £1.1m. Levy funding lasts 24 months and if it is not spent in this period, the Council's money is reabsorbed by the Employment and Skills Funding Agency.

Prior to the introduction of the Apprenticeship Levy, the cost for corporate Apprenticeship training was less than £5000 per year in total. The reason for this was due to Providers forfeiting the cost.

5.2 Apprenticeship Levy spend to date

Since April 2017 when the Levy became live, the Council has spent £997,156.00. Should all those employees and Apprentices currently on programme complete their apprenticeship, the Council's projected total Levy spend will be £2,486,375.00 by December 2023 against a potential 3 year Levy allocation of £2,620,265. Coventry City Council has made great progress in terms of its Levy spend however due to the way in which the fund has been set up, for example funds not being used and expiring after 24 months, could result in the Council's Levy proportion not being spent and returned to the Treasury. The apprenticeships available via Levy funding have been accessed by both existing employees and newly recruited apprentices. The Council continues to encourage its maintained schools to access Apprenticeship Levy funding and will be presenting an update on Apprenticeship Levy opportunities to Head Teachers across Coventry on 29th, 30th and 31st January 2020.

To date 272 existing employees have accessed the following levy funded apprenticeship qualifications:

Level 2 Qualifications

Qualification	No. accessed
AAT	1
Adult Care Worker	5
Business Administration	3
Catering	2
IT Application	1
Play Work/Supporting Teaching & Learning in Schools	10
Waste Resource Operative	6

Level 3 Qualifications

Qualification	No. accessed
CMI – Leadership & Management	45
Lead Adult Care Worker	12
Civil Engineering	3

Supporting Teaching and Learning in Schools	19
Residential Childcare	13
Business Administration	3

Level 4 Qualifications

Qualification	No. accessed
Associate Project Manager	27
Business Analyst	14
Social Media and Digital Marketing	1
Marketing Executive	1
School Business Professional	1
Intelligence Operations	2
Policy Officer	1
Data Analyst	12

Level 5 Qualifications

Qualification	No. accessed
CMI Leadership & Management	42
Care Leadership and Management	6
HR Consultant/Partner	5

Level 6 Qualifications

Qualification	No. accessed
Chartered Legal Executive	4
Civil Engineering Degree	1
Social Worker Degree	12
Occupational Therapist Degree	1

Level 7 Qualifications

Qualification	No. accessed
Senior Leaders Master's Degree	14
Accountancy Taxation Professional	4

Chartered Town Planning Degree	1
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5.3 Apprenticeship Levy Transfer

Apprenticeship Levy paying employers, including Coventry City Council, can support apprenticeships in other organisations by transferring up to 25% (a rise from 10% from April 2019) of their apprenticeship levy funds to other non-levy employers. These funds can be transferred to any employer, including smaller employers in the supply chain and Apprenticeship Training Agencies (ATAs), to support new apprenticeship opportunities and widen participation in apprenticeships across the City.

There is a Levy Transfer allowance of £248,446 available; work has commenced with colleagues in our Economic Development Services to liaise with organisations across the City who may benefit from the transfer. Priority for transferring funds will be made to employers recruiting apprentices from the following areas; care leavers, NEETS, BAME, parent or carers returning to work and people with disabilities. All applications for the transfer will be reviewed following the closing date of January 2020.

6 **Moving Forward**

6.1 Apprenticeship Strategy 2020 – 2022 (16 – 24 years)

As part of our ‘One Coventry’ approach, we are developing the way in which we view modern employment routes into the organisation by embedding apprenticeships, work placements and graduates within our people strategies, talent pipeline and career pathways for 16 – 24 year olds. Our ambition is to provide a modern employment offer and a viable route into and up through the organisation for both existing and new employees which will attract and develop future talent within the Council, by providing a structured apprenticeship programme which retains, develops and provides transferrable skills needed to succeed in the modern economy, while contributing to our commitment to increase the overall number of apprenticeships for 16 – 24 year olds across the Council to 2.3% of the workforce by 2022.

Our soon to be launched Apprenticeship Strategy, 2020 - 2022 focuses on the following 5 key aims:

1. Developing skills and attributes
2. Growing the number of apprenticeships
3. Embedding apprenticeships
4. Promoting Equality, Diversity & Inclusion & Social Mobility
5. Improving the quality of apprenticeships.

We will create opportunities for apprenticeships by:

Developing our current apprenticeship scheme for 16 – 24 year olds

- Providing quality training and development throughout the apprenticeship programme to ensure apprentices have adequate support. This will include on-the-job –training, mentor support, skills development training and a comprehensive induction.

Promoting apprenticeships internally and externally

- Actively working with service areas to create talent pipelines that are aligned with the career pathways.

- Identifying opportunities to appoint apprenticeships for service areas with hard to fill roles and skills shortages.
- Working with external partners to promote our apprenticeship programme and vacancies available.

In order to develop apprenticeship opportunities further, apprenticeships will be embedded within our people talent management strategies and career pathways. This will be achieved by strategic workforce planning to identify the Council's workforce gaps and utilise apprentices to grow and upskill the shortfall.

6.2 Apprenticeship Levy

To increase the Council's levy spend moving forward we will:

- Create Career and Levy pathways for each service area, mapped to the apprenticeship qualifications which will enable new apprentices and employees' access to further education and skills, therefore contributing to the Council's 'Grow our Own' workforce initiative.
- Ensure that all vacancies, at the appropriate level and where a relevant apprenticeship standard can be applied, are considered for an apprenticeship.
- Create an apprenticeship training calendar for 2020 - 2021 to promote core apprenticeship qualifications available.
- Utilise the apprenticeship levy qualifications to target skills shortages, personal and professional development and provide opportunities for employees at all levels across the Council.

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Head of Organisational Development
January 2020