



**EAST STAFFORDSHIRE BOROUGH COUNCIL**

**REPORT COVER SHEET**

<b>Title of Report:</b>	Apprenticeship update	To be marked with an 'X' by Democratic Services after report has been presented
<b>Meeting of:</b>	Corporate Management Team - 18 <sup>th</sup> August 2020	X
	Leader and Deputy Leaders – 24 <sup>th</sup> August 2020	X
	Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group – 2 <sup>nd</sup> /3 <sup>rd</sup> September 2020	X
	Cabinet 14 <sup>th</sup> September 2020 / Council n/a	
	Scrutiny Audit and Value for Money Council Services Committee n/a / Scrutiny Community Regeneration, Environment and Health and Well Being Committee n/a	



Is this an Executive Decision:	NO	Is this a Key Decision:	NO
Is this in the Forward Plan:	NO	Is the Report Confidential:	NO
If so, please state relevant paragraph from Schedule 12A LGA 1972:	n/a		

**Essential Signatories:**

**ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE**

Monitoring Officer: **Angela Wakefield**

Date ..... Signature .....

Chief Finance Officer: **Sal Khan**

Date ..... Signature .....

**EAST STAFFORDSHIRE BOROUGH COUNCIL**

**Report to Cabinet**

**Date: 14<sup>th</sup> September 2020**

**REPORT TITLE:** Apprenticeship update – September 2020 reporting

**PORTFOLIO:** **Andy O’Brien**

**HEAD OF SERVICE:** **Andy O’Brien**

**CONTACT OFFICER:** **Linda McDonald Ext. No. x1577**

**WARD(S) AFFECTED:** n/a

**1. Purpose of the Report**

- 1.1. To provide an update on ESBC progress against the apprenticeship target for public bodies.

**2. Background**

- 2.1. The public sector apprenticeships target was introduced by the government in April 2017 and sets a target for those public sector employers of over 250 employees (headcount) to employ an average of 2.3% of their headcount (not FTE) as new apprentice starts between 1 April 2017 and March 2021.
- 2.2. We are required to report on our progress towards meeting the target annually. The ‘starts’ can be newly employed apprenticeships or existing employees that have begun apprenticeships. The next return is to be submitted by 30<sup>th</sup> September 2020. In this report we must show our progress in meeting our target. In reporting ESBC “should appropriately demonstrate in their returns that they have had regard to the target”.
- 2.3 This information should also be published and easily accessible to the public.
- 2.4 From 6<sup>th</sup> April 2017 we have been required to pay the apprenticeship levy, at 0.5% of our pay bill. This levy provides payment for tuition costs for apprenticeships, it is topped up by an additional 10% from the Government.

2.5 Apprenticeships must be for a duration of 12+ months; minimum of 30 hours per week; spend 20% time on learning; be studying for an appropriate qualification.

### **3 Contribution to Corporate Priorities**

3.1 There is no Corporate Priority as such since this is an update on progress to achieve a legislative requirement. Our approach in working towards achieving this target has been consistent with the Corporate Priority to deliver Value for Money Council Services.

### **4 Report**

4.1 As at 31 March 2019 our headcount was 270, therefore our apprenticeship target for 2019-20 was 6, plus the balance of starts remaining from 2018-19 (i.e. +6) carried forward to the average to March 2021.

4.2 Progress in meeting target so far:

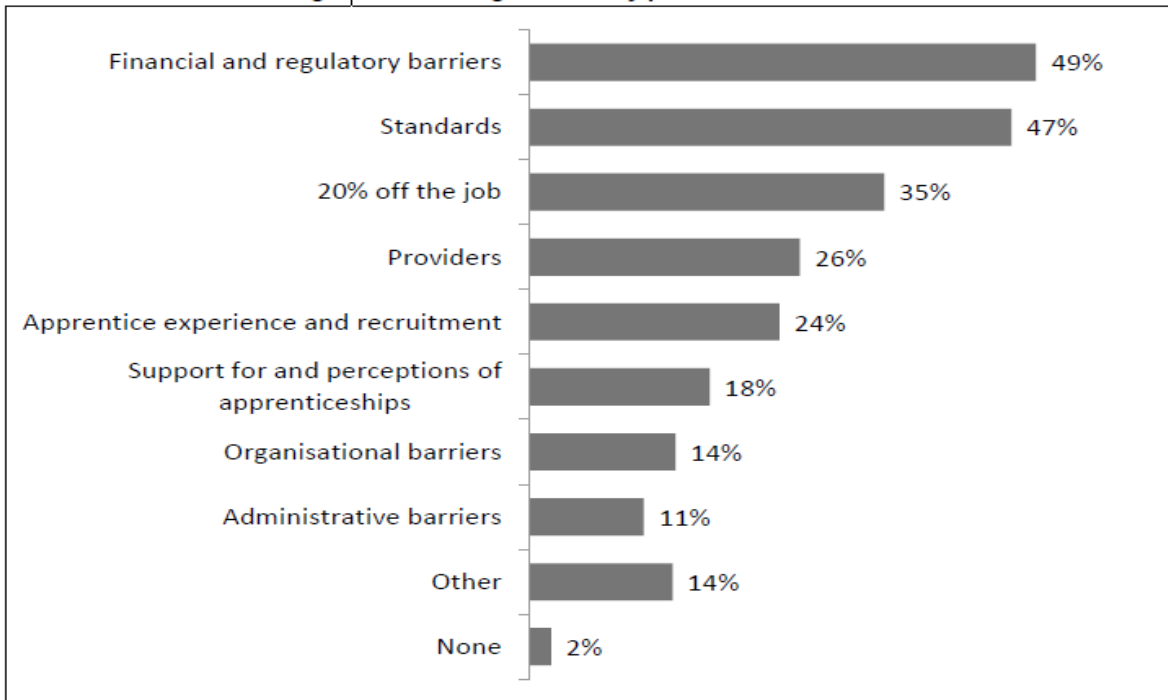
	2017-18	2018-19	2019-20	2020-21
Headcount at 31/3	354	346	270	270
Target	8	8 +2cf	6 + 6cf	6+5 cf
New apprentice starts	6 (3 new, 3 CPD existing staff)	4 new	<b>7</b> (5 new, 2 existing staff)	
Balance c/f	2	6	5	

4.3 The total new apprentice starts is 17. The new apprentice starts required by March 2021 is a total of 28.

4.4 It is notable that if the target was based on FTE number of employees (244) then the target would have been 7 for 2018-19, and at 244 FTE at 31<sup>st</sup> March 2019 and 2020 we would have fallen outside this target requirement for 2019-20 & 2020-21.

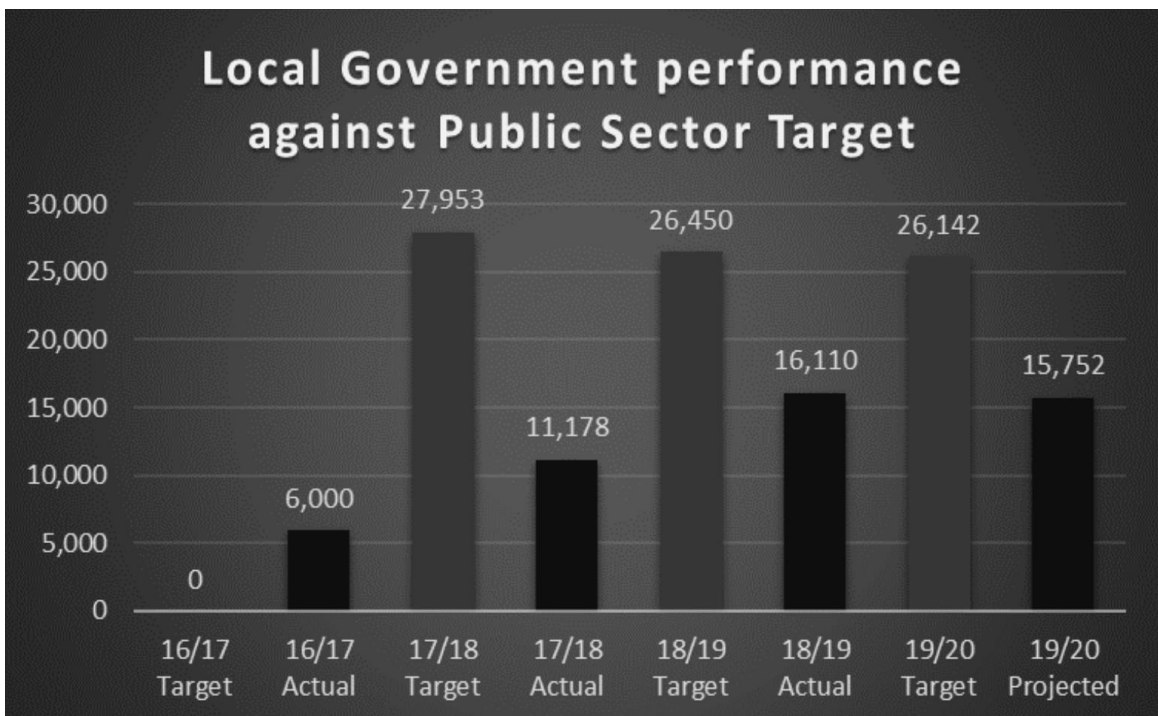
4.5 The September 2019 apprenticeship report included some information from DfE research brief on public sector apprenticeship target reporting, November 2018, which is still relevant. It reported that 89% of public sector organisations had not met the target. This research also stated that “this in this in itself should not necessarily be considered the main measure of the quality or success of the activities undertaken by the public sector body” It recognised improvements in the increase in apprentices in the public sector compared to the previous year and the development activities in offering high quality programmes whilst having regard for the target. The challenges faced by other public sector bodies are similar to ours:

**Figure 2: Challenges faced by public sector bodies**



Base=676, Source: Apprenticeship Activity Return

4.6 An LGA Apprenticeship survey 2020 (dated 1<sup>st</sup> July 2020), extract shows the public sector performance against the target. It also identified that the number of new starts in 131 LG respondents is down from 2018/19, although this was not the case at ESBC where we exceeded our annual 2019/20 target (discounting the balance brought forward from previous years).



- 4.7 In the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020 the number of new apprentices is 7 (up from 4 in the previous year). These included 5 new starters, and 2 existing staff progressing with higher qualifications.:
- 1 x Business Administration Level 2 (Legal)
  - 1 x AAT Level 2 (HR & Payments)
  - 1 x AAT Level 3 (FMU)
  - 2 x AAT Level 4 (FMU, HR & Payments)
  - 1 x Construction Technical Professional Building Consultancy Level 3 (Building Consultancy) (new)
  - 1 x Revenues, Welfare & Benefits Practitioner Level 4 (Revenues, Benefits & Customer Contacts) (new)
- 4.8 We have engaged with the following providers to deliver our current apprenticeships:
- Burton and South Derbyshire College
  - BPP University
  - CIPFA
  - Derby College
  - IRRV (new)
  - Solihull College (new)
- 4.9 We can demonstrate that we are actively considering apprenticeships when looking at all vacancies. At recruitment authorisation stage we ask Managers to consider the suitability of the vacancy for an apprenticeship and this is included in the Recruitment and Selection Policy and Guidance for managers. HR staff supporting recruitment are also aware of our apprenticeship target requirement when providing advice. Appendix 1 demonstrates that in 2019-20 that this practice has been followed, with the suitable vacancies being recruited as apprenticeships.
- 4.10 In 2019-20 the number of new starters (all staff, not including casuals) was: 38. The proportion of total new apprentice starts (5) of total new starts is 13.16%. A further 2 new apprenticeships were from existing staff entering new apprentice agreements with continued study.
- 4.11 Posts recruited, that were not suitable to be apprenticeships were for the following reasons
- insufficient hours;
  - duration of less than 12 months;
  - due to the nature of the job role, either require: an already qualified professional and/or senior officer;
  - manual work that does not require any qualification or lengthy training;
  - no apprenticeship qualification available;
- 4.12 In the absence of suitable vacancies arising, the other difficulty in meeting the target is the cost of salary/wages costs and other associated costs with apprenticeship courses, such as travel expenses, exam fees, and line management time, which cannot be funded from the levy.

4.13 When considering new apprentice starts for existing employees as part of career development we continue to be hindered by the lack of apprenticeship routes in place, particularly for professional qualifications. Some professional qualifications we currently support through post entry training funding and time off to study are not yet developed as apprenticeships, under development or waiting approval. Ones to continue to look out for approval, and also if there are local providers are:

- Chartered Town Planner Level 7
- Building Control Surveyor Levels 4 & 5.
- Environmental Health Practitioner level 6

Unfortunately the Business Administration Level 2 framework is being switched off, so this is no longer available for new apprentice starts. The alternatives might be Customer Services Level 2 or going straight to Business Administration Level 3, although this may not be suitable for some placements

4.14 As more apprenticeship standards come available there may be more opportunities available linked to workforce planning as there are difficulties in recruitment for some professional skills, for example planning; and investment in training for some specialist customer service areas such as Revenues and Benefits. We may also consider reviewing the hours of some part time posts if vacancies arise.

4.15 In addition to apprenticeships, where apprentice courses are not available, we are supporting colleagues to achieve other qualifications through the post entry training route. This is in addition to supporting colleagues to achieve full Membership status of their professional qualifications i.e. MRTPI (Planning) and CIEH Professional Examinations (Environmental Health). In 2019/20 this included the following qualifications:

- AEA Elections Certificate
- MSc Air Pollution Management and Control
- Open Air and R Data Analysis
- Professional Licensing Practitioner
- HGV driving (2)
- MSc Urban Planning (2)
- IRRV Level 3 Revenues & Benefits
- ILM Level 3 Certificate Leadership & Management
- Diploma in Markets Administration (2)

4.16 A barrier for management and leadership apprenticeships is the capacity to provide the 20% learning time requirement during the week.

4.17 We can demonstrate our commitment to apprentices by the majority of our apprenticeships on programmes over 1 year. Unfortunately when it comes to meeting the government target, only 'new apprentices' count, i.e. in the year in which they begin their apprenticeship.

Whilst the number of apprentice new starts is smaller, they are high quality apprenticeships. We have shown our long term commitment to these

apprentices. Other than the Level 2 qualifications, all are for a longer duration than 1 year. In addition to the new starters, during this period we had a continued commitment with apprentices continuing in the second or third year of their apprenticeship:

- 1 x HR Level 5 (HR & Payments)
- 1 x CIPFA Level 7 (FMU)
- 1 x AAT Level 4 (FMU)

4.18 During the year, one apprentice successfully completed their apprenticeship in Business Administration level 2 during March 2020 and moved to a permanent Technical Officer position in the Council. Two apprentices moved into a higher level career graded posts in Accounting, and another achieved a permanent part time position concurrent with their apprenticeship in Payments.

4.19 The information that we need to report by 30<sup>th</sup> September 2020 for the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020 is:

- A: No. new employees (new starters) in period = 38  
B: No. new apprentices (all new apprentice agreements) = 7  
C: No. employees at end of period (31<sup>st</sup> March 2020) = 270  
D: No. apprentices at end of period (31<sup>st</sup> March 2020) = 10  
E: B as % of A = 18.42%  
F: D as % of C = 3.70%  
G: The number of apprentices who worked for us immediately before that period: = 7  
H: Headcount on 31<sup>st</sup> March 2019 = 270  
I: B as a % of H = 2.59%

4.20 Figure I (2.59%) is intended for the government to assess the progress a body has made towards meeting the target. We reported 1.16% last year. This is new apprentice starts. Overall we have a larger proportion of our workforce employed as apprentices at 3.70% (figure F) at 31<sup>st</sup> March 2020 than we have had since the target was introduced (2.59% last year).

4.21 As well as submitting these figures, Local Authorities also have the opportunity to provide a narrative to explain their performance in meeting the target. As well as the statutory guidance on data publication, the LGA has provided guidance on completing the reporting process. The LGA successfully lobbied for local authorities to be able to include their organisation's FTE figures in the public-sector reporting form, this is optional rather than required. We will therefore report the FTE figure to emphasise the difference this makes, and include what our achievement against the target would be if FTE was used as the measure instead. This would make a significant difference as our FTE number falls below the public sector target requirement.

## **5 Financial Considerations**

*This section has been approved by the following member of the Financial Management Unit: Lisa Turner*



- 5.1 There are no direct financial implications arising from this report. This assumed that the apprenticeship target could be met from up to 4 new starts arising from suitable vacancies during each year within the establishment, and the remaining new starts may be achieved via staff development as suitable standards arise. Whilst the latter opportunity did not come available in 2018/19, 2 such opportunities were identified and enabled in 2019/20, accompanied by 5 new starts arising from vacancies.
- 5.2 We paid £19,873 into our levy account during 2019/20, including the government 10% top up this was £21,844.75 and used £27,233.60 of our levy funds to pay for apprentice training during this period. Levy funds are available to fund courses, for this years projected new starts as at 8<sup>th</sup> July 2020 (date of writing) we have a credit balance of £20,966 unused levy funds available to spend.

## **Risk Assessment and Management**

- 6.1 The main risks to this Report and the Council achieving its objectives are:

### **Positive** (Opportunities/Benefits):

- 6.1.1 Provision of high quality apprenticeships and long term commitment to those apprenticeships that have started.
- 6.1.2 Utilisation of higher level apprenticeship opportunities in support of skills development in hard to recruit areas such as financial management.
- 6.1.3 The opportunity to use the levy funds for staff development e.g. AAT and CIPFA courses.

### 6.2 **Negative** (Threats):

- 6.2.1 Lack of suitable vacancies and readiness of apprenticeship standards in order to create opportunities via post entry training, have contributed to the failure to meet government target of new apprentice starts.
- 6.2.2 The removal of Business Administration Level 2 standard, which has been a useful entry level administration apprenticeship qualification at ESBC.
- 6.2.3 Our workforce profile includes a proportion of flexible part time workforce and the government target of 2.3% of workforce is based on headcount, contributes to it being more difficult for us to meet the target.
- 6.2.4 The additional salary costs of employing apprentices if there are no real vacancies available.
- 6.2.5 Difficulties in meeting next year's target due to Covid-19, see narrative in appendix 2.
- 6.3 The risks do not need to be entered in the Risk Register.

## 7 **Legal Considerations**

*This section has been approved by the following member of the Legal Team:  
Angela Wakefield*

7.1 The main legal issues arising from this Report are as follows.

7.1.1 Compliance with 'The Public Sector Apprenticeship Targets Regulations 2017' and the 'Apprenticeships Miscellaneous Provisions) Regulations 2017'. By having regard to the apprenticeship target for public bodies and reporting our progress as required.

## **8 Equalities and Health**

8.1 **Equality impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is not required.

8.2 **Health impacts:** The outcome of the health screening question does not require a full Health Impact Assessment to be completed. An equality and health impact assessment is not required.

## **9 Human Rights**

9.1 There are no Human Rights issues arising from this Report.

## **10 Sustainability (including climate change and change adaptation measures)**

10.1 Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) N/A

## **11 Recommendation(s)**

11.1 To include in the report a narrative to explain our apprentice starts compared to FTE employees, and proportion of suitable vacancies; our commitment to the apprentices employed in longer term apprenticeships and real jobs; the challenge of lack of suitable apprenticeship standards available in areas where we need to develop skills for future needs (appendix 2).

## **12 Appendices**

12.1 Appendix 1: New starters spreadsheet

12.2 Appendix 2: Suggested narrative for publication