

BRISTOL CITY COUNCIL

HUMAN RESOURCES COMMITTEE
25 June 2015

Report of: Human Resources Director: Business Change

Title: Bristol City Council Apprentices – Care Leavers’ Allowance

Officer Presenting Report: Helen Sinclair-Ross – HR Manager – Talent and Resourcing

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RECOMMENDATION

That the committee agree to the following recommendation:

- The committee is asked to consider the proposal to pay Care Leavers who undertake an apprenticeship an additional allowance of £25 per week for the term of the two year apprenticeship.

Summary:

- The 2014 Ofsted inspection concluded that Bristol City Council ‘requires improvement’ in relation to Cared for Children, looked after children and Care Leavers. The report also suggested that the Council seek to improve its percentage of Care Leavers in education, training and employment.
- Key Performance Indicators have been set up with a target of increasing the number of Care Leavers in the Council’s Apprenticeship scheme. This will contribute towards improving the percentage of Care Leavers in education training and employment as outlined in the Ofsted Report. The majority of the Council’s apprentices aged 16-24 are living with parents and do not therefore have the same associated living costs as Care Leavers.
- Care Leavers can potentially suffer a negative financial impact when considering apprenticeships as a career choice, as Care Leavers are frequently residing in private rented accommodation and cannot therefore afford to support themselves so easily whilst on apprentice’s pay.
- An additional allowance of £25 per week for the duration of the apprenticeship, which can be up to two years, will help to reduce this negative financial impact upon Care Leavers.

The significant issues in the report are:

- The Council has a lead role to play in ensuring that Bristol's young people have access to training and work experience opportunities across the city, and the apprenticeship scheme has achieved this, however, the City of Bristol falls behind other Core Cities (these are key comparable Councils) with only 48 care leavers in education, employment or training (see Appendix 1).
- The Council wishes to encourage more Care Leavers into apprenticeships and to try to reduce the financial impact upon those Care Leavers who cannot 'afford' to undertake an apprenticeship.

1. Policy

- 1.1 Pay rates for apprentices fall outside of the core grading/pay rates for employees within the council.
- 1.2 Apprentices are not covered by the Green Book terms and conditions.
- 1.3 The National Apprenticeship Service advises employers on best practice and the national minimum wage for apprentices, is currently set at £2.73 per hour. Bristol City Council is paying an enhanced rate at £5.00 per hour (first year apprentices aged 16 years and over).

2. Background

- 2.1 As a result of the 2014 Ofsted Report and under the Leadership of the City Director, a number of Care Leaver Task Groups have been set up to work towards achieving the areas of improvement identified in the Ofsted Report.
- 2.3 In response to the Ofsted report, the Improvement Plan entitled "Getting to Good" (April 2015) outlines a number of improvement measures, one of which is to increase the number of Care Leavers undertaking an apprenticeship. There are currently 536 Care Leavers and the target by 2015 is to recruit at least 5 apprentice Care Leavers.
- 2.4 The council invested £1 Million in order to launch the apprenticeship programme and has worked with managers, the colleges and schools to identify opportunities for young people in the council to gain the necessary employability skills and qualifications. The Mayor, George Ferguson is in support of the Apprenticeship Programme and the initiative is seen to contribute towards the Mayor's Vision for Bristol. This is a mature and successful scheme well able to support Care Leavers.

3. Context

- 3.1 The improvement Plan for Bristol, which is an action plan resulting from the Ofsted Report has a number of targets one of which is to increase the number of Care Leaver apprentices employed by Bristol City Council. The proposal of an additional £25 per week for Care Leavers will act as both practical help and also a small incentive.
- 3.2 The additional £25 per week will offer a small contribution towards Care Leavers' living costs to support them whilst undertaking their apprenticeship. The weekly sum paid to apprentices is currently £150 per week and the proposed £25 per week

will bolster this sum to £175 per week. It is based on the premise that many Care Leavers are residing in rented accommodation which can be a financial burden and therefore precludes many Care Leavers from opting for an apprenticeship, as they cannot afford their living expenses whilst undertaking an apprenticeship. The additional sum sets out to reduce this impact.

- 3.4 It is worth noting, that this proposal was discussed in February 2015 when apprentices were paid £96 per week and the proposed £25 per week additional payment for Care Leavers would have had a far greater impact than it will have now. This is because, since February 2015, apprentices have been awarded an increase in their weekly allowance from £96 per week to £150 per week. The impact therefore of the additional allowance for Care Leavers of £25 per week is minimal and will equate to an extra £7.09 per week, owing to a reduction and loss of welfare benefits. The impact as outlined by the Welfare Rights and Money Advice Service (WRAMAS) indicates that a Care Leaver on the council apprenticeship scheme will net £97.59 per week with the proposed £25 allowance, as opposed to £90.50 per week without the additional allowance. (See Appendix 2).
- 3.5 In addition to Bristol Apprentices there is a Trades and Construction Bristol City Council Scheme called ON-Site. This scheme is separate from the BCC Bristol Apprentices scheme and operates its own terms and conditions, however, the outcome of this HR Committee proposal will be implemented by this scheme too.
- 3.6 If approved, this additional allowance will be promoted during the next round of apprentice recruitment in July 2015, as well as through Council services and other agencies connected with care leavers. We will also highlight the additional allowance through the Care Leavers Into Employment Project Group, which is one of a number of task and finish groups that has been established to respond to the recent Ofsted inspection of the authority.

4. Other Options Considered

- 4.1 None

5. Risk Assessment

- 5.1 The cost of paying Care Leaver Apprentices the £25 per week allowance is considered low risk.

Public Sector Equality Duties

- 6a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to -

- remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
- encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –

1. - tackle prejudice; and
2. - promote understanding.

6b) To date the equalities impact of the apprenticeship programme has been favourable in terms of impact on the workforce demographics. Due in part to the targeted marketing and revised recruitment approaches adopted by the apprenticeship programme, the scheme manages to attract and select a relatively high proportion of BME applicants.

Legal and Resource Implications

Legal

“The Report outlines the proposal to pay Care Leaver Apprentices an additional allowance of £25 per week. This proposal is made on the basis that Care Leaver Apprentices have additional living expenses such as rent which places them at a financial disadvantage. The main area of challenge in relation to this payment will arise from other apprentices who also claim an entitlement to the allowance. In the absence of any assessment of whether a Care Leaver apprentice does in fact suffer from financial hardship in order for the allowance to become payable, this will open a risk of challenge from other apprentices who either also suffer from financial hardship or merely wish to be paid equally. In order to reduce the risk it is advisable to seek evidence from the Care Leaver Apprentice of their financial position in order to assess if the allowance is payable. In addition to this, the Council must also be aware of the risk of challenge from other Apprentices who suffer from financial hardship and who may also wish to seek an entitlement to the payment.”

Legal advice provided by Husinara Jones for Head of Legal Services.

Financial

(a) Revenue

“The additional allowance will have a minimal overall impact on budgets, where Managers will be asked to pay the additional £25 per week from their own budget. A large proportion of apprentices’ pay is drawn from Manager’s budgets at present. There is no additional budget to fund this change and therefore managers will need to manage these additional costs within existing resources.

The proposed allowance will amount to £1,560 per annum, per apprentice including Employer costs. It is anticipated that with 5 apprentices the total is likely to exceed £7,800 per annum, including Employer costs, and it is probable that this will be spread out between the four Directorates, reducing the impact further.”

(b) Capital

N/A

Financial advice provided by Janet Ditte for Service Director: Finance.

Land

Not applicable

Personnel

Not applicable

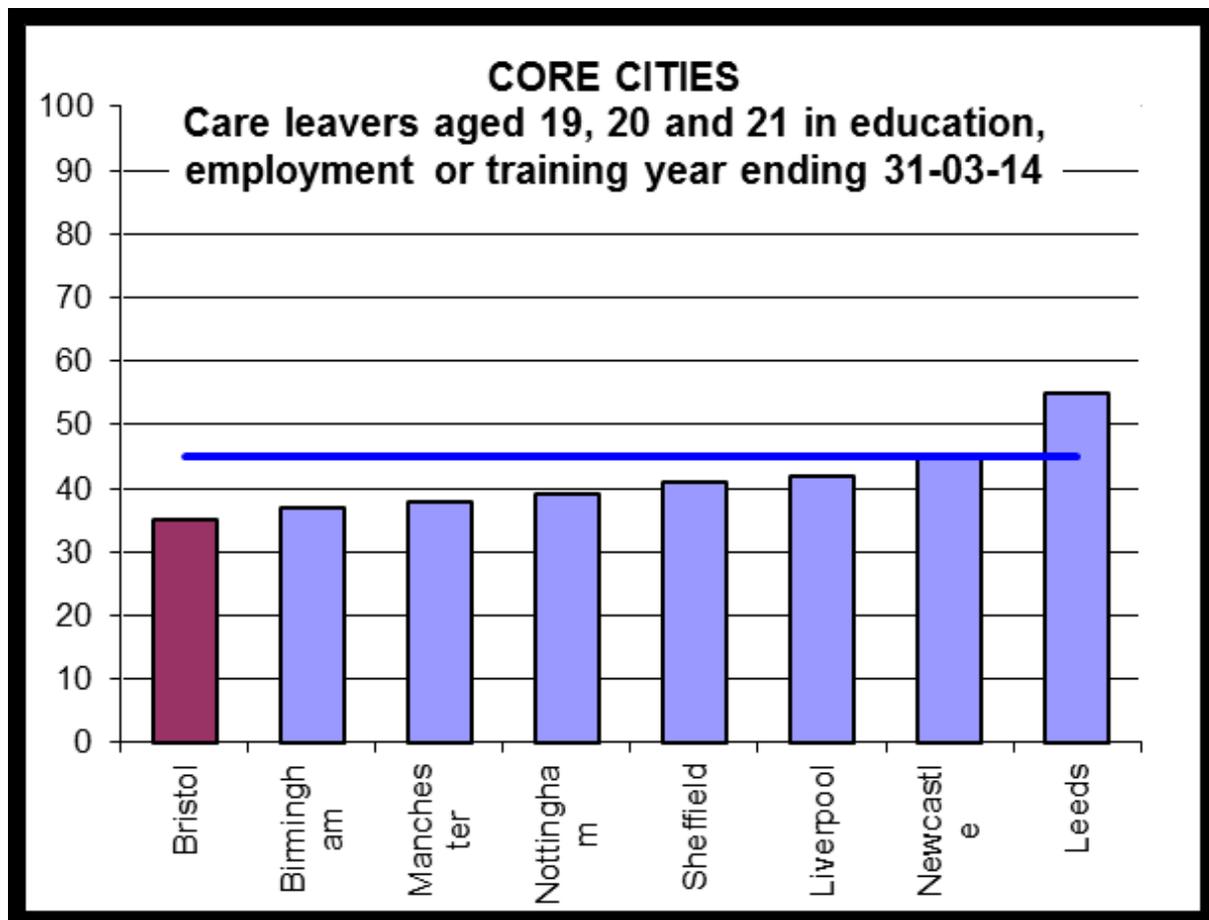
Appendices:

- 1 Core Cities data on care leavers
- 2 Financial impact on benefits for care leavers

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: None

Appendix 1: Core Cities data on care leavers



Appendix 2: Financial impact on benefits for care leavers -May 2015

(Assuming the Care Leaver is living in rented accommodation)

	App yr 1	App yr 2	BG6 SCP 15	JSA under 25
Income				
Earnings	£150.00	£179.00	£276.08*	Nil
JSA	Nil	Nil	Nil	£56.80
Housing benefit	£10.40	Nil	Nil	£67.37
CTR	£15.66	Nil	Nil	£15.66
Total	£176.06	£179.00	£276.08	£139.83
Expenses				
Rent	£67.37**	£67.37	£67.37	£67.37
Council tax	£15.66	£15.66	£15.66	£15.66
Total	£83.03	£83.03	£83.03	£83.03
Net income	£93.03***	£95.97***	£193.05	£56.80

* BG6 SCP 15 £16,572.00 pa gross. £313.69 pw gross, tax £22.97, NI 19.64. **£276.08 net**

** Local housing allowance single room rate

*** plus travel allowance