

BRISTOL CITY COUNCIL

HUMAN RESOURCES COMMITTEE

3 July 2014

Report of: Human Resources Director: Business Change

Title: One off payment to Apprentices on the Apprenticeship Programme

Officer Presenting Report: Helen Sinclair-Ross – Change and Performance Manager

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RECOMMENDATION

That the committee agree to the following recommendations:

- The committee is asked to consider and determine whether apprentices in post as at 31 October 2014 should receive a “one-off” payment linked to the achievement of particular milestones.

Summary:

Following the decision to pay employees a 'Living Wage' the HR Committee is asked to consider offering a 'one off' payment of £250 to apprentices who complete the NVQ Level 2 and Level 3 national qualification, as at 31 October 2014.

The significant issues in the report are:

- Apprentices are not eligible for the one off 'Living Wage' payment. A significant number of apprentices are paid below the 'Living Wage'.
- This report recognises that apprentices would benefit from a 'one off' payment as a gesture which recognises their commitment.
- The Council has a lead role to play in ensuring Bristol's young people have access to training and work experience opportunities across the city, and the apprenticeship scheme has achieved this.
- There are some areas of the workforce where there are clear skills

gaps which are being addressed through apprenticeships and other trainee programmes, therefore the cost of the 'one off' payment is not seen to be significant in relation to the benefits the programme offers.

- The feedback from managers and apprentices is very positive regarding the apprenticeship scheme and there is no aversion to making the payment.

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 which is currently £2.68 per hour. Bristol City Council is paying £3.20 per hour (first year apprentices aged 16 years).
- 1.4 Apprentices are not covered by the 'one off' Living Wage payment made to all low paid staff in 2014.

2. Consultation

2.1 Internal

Initial consultation through the research process has taken place with the following:

- Apprentices
- Managers of apprentices
- HR Management Team
- HR (Change and Performance) Employment Initiatives Team

2.2 External

- On-site

3. Context

- 3.1 The apprentices' overall hours were reduced in 2012 from 35 hours to 30 per week, (inclusive of their attendance at college) in order to give apprentices more time to concentrate on college work and to achieve their NVQ 2 well within the 12 months allowed. This also encouraged a greater number of our apprentices to progress on to the Advanced Apprenticeship scheme at NVQ 3 and to complete this within their 24 month contract.
- 3.2 It is proposed to give an additional one off allowance of £250 to each of the current apprentices who have successfully completed their NVQ level 2 or Level 3 as at 31st

October 2014. Apprentices will achieve these awards on various dates up to 31st October 2014. Payment would be in recognition of their achievement and commitment to the apprenticeship programme. There are currently approximately 18 apprentices who would qualify for this payment. This would be at a cost of £4250 to the council. It is the intention to make this payment to all eligible apprentices, in addition to their usual allowances by December 2014.

3.3 The council have invested £2.6 million over three years in creating and supporting 240 apprenticeship opportunities, with a success rate of 87%

3.4 It is recognised there is much activity in various communities, schools and colleges where it is important for us to market our apprenticeship programme and talk to the locals and answer questions. In order to attract the diversity our organisation needs we need to be amongst it. This activity brings huge rewards for example our BME intake has been 20% average across all in-takes, but it takes time and energy to develop these kind of relationships within the community. It is envisaged as part of the Youth Employment Strategy that the apprenticeship programme will work with the partnership boards to gain opportunities within communities to help economically stimulate specific communities. This will be an opportunity to work closely together with colleagues in Regeneration and Neighbourhoods to help stimulate growth.

4. Other Options Considered

4.1 None

5. Risk Assessment

5.1 If we pay the one off payment to apprentices this year there is the risk that expectation is raised for a further payment next year, and the Council may not be in a position to fulfil this.

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 recommends that a ring fencing arrangement be applied to apprentices. If approved by the Committee, this arrangement will require a variation to the Council's Redeployment Policy which will need to be addressed and may place the Council at risk of claims from employees who are not offered suitable alternative employment when at risk of redundancy."

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

Financial

(a) Revenue

The award of a one-off payment worth £250 to each apprentice would need to be funded from existing Departmental budgets.

(b) Capital

N/A

Land

Not applicable

Personnel

Not applicable

Appendices: None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
Background Papers: None