

# HR Committee

3<sup>rd</sup> August 2017



**Report of:** Service Director, Education and Skills

**Title:** Apprenticeships and the Levy

**Ward:** N/A

**Officer(s) Presenting Report:** Jane Taylor (Head of Service, Employment Skills and Learning)  
Darren Perkins (Apprenticeship Manager)

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## Recommendation

That the Committee notes the report.

## Summary

This report responds to the Committee's request for information regarding the establishment of the Bristol Apprenticeship Service following Cabinet approval on 27<sup>th</sup> June 2017.

## The significant issues in the report are:

- Apprenticeships are a positive mechanism to achieve Mayoral commitments to improve social mobility and inclusion, to meet our workforce and organisational development priorities and help build the capacity of valued partner employers
- As a key partner in the Learning City Partnership, Bristol City Council is committed to working with other key employers and providers to expand apprenticeship opportunities
- Bristol City Council is building on existing good practice to build a new Apprenticeship Service, to be managed within the People Directorate and supported by HR and Learning and Development teams
- The Council has been approved as an Employer Provider which gives unique opportunities to customise our apprenticeship menu through blended training delivery with the support of in-house teams and external 'expert' provision
- The introduction of the Apprenticeship Levy and Public Sector Duty means that Bristol City Council must increase our apprenticeships from 100 to 276 by March 2021
- Levy funds can only be used to pay for the training and education costs of learners who are following a recognised apprenticeship framework or standard – this can include both new recruits and existing employees
- There is commitment to build on and extend the contributions that Trade Unions are already making to develop, promote and support Bristol apprenticeships

## Background

1. Apprenticeships offer the Council a positive opportunity to succession plan and develop a skilled and diverse future workforce. Apprenticeships provide a powerful mechanism to improve social mobility and business sustainability whilst also maintaining quality services for citizens. Through its apprenticeship offer, Bristol City Council can also support the development of key local industries, build capacity and fill gaps in provision.
2. A key partner within Bristol Learning City Partnership, the Council is already working closely with our strategic partners to increase the number of apprenticeship opportunities for young people and adults in the city. For example, the LCP Ways2Work Strategy 2016-2020 includes a commitment to embed apprenticeships and work placements into relevant contracts. Over the last year, as part of the Council's social value policy, it is estimated that 128 apprenticeships have been secured through our procurement and commissioning processes (NB: these figures remain as commitments until contract delivery has commenced and the apprenticeship targets span the variable lifetimes of the contracts involved).
3. Following a recent City Council Hot House process, it was recommended that a single Apprenticeship Service be formed to drive forward the identification, commissioning and delivery of apprenticeship training activities. Managed within the Employment, Skills and Learning Team, part of the People Directorate, this new service will draw on expertise from across 3 Council teams:
  - i. **HR Talent and Resourcing Team** who have been managing the corporate apprenticeship programme since its launch in 2009 recruiting over 300 apprentices in a variety of roles throughout the City Council;
  - ii. **Apprenticeship and Workbased Training Team** who have been managing Government-funded apprenticeships since 2003 in support of the local construction industry under the operational name On Site Bristol (OSB). To date over 1,000 apprentices have qualified with OSB support. The scheme achieved OFSTED grade 2 in 2016 and each year leverages significant resource into the local economy, maintaining industry-leading achievement rates;
  - iii. **Learning and Development Team** support a range of staff personal and professional development interventions. In addition the team offers internal and external training solutions across a broad range of disciplines.
4. The Council's longstanding approach has been to blend training delivery with the support of in-house teams and external 'expert' provision; we are looking for partners who share our goals and are willing to work with us to provide highly effective skills development.
5. Bristol City Council has been approved to join the government's Register of Apprenticeship Training Providers. Within the South West Region, our 'Employer Provider' status is quite unusual – of 43 Councils only 4 have taken this approach. This enables the Council to significantly increase the breadth of its apprenticeship offer and continue its shared investment in local education, training and employment support.

6. Through a Dynamic Purchasing System the Council is currently seeking partner organisations to work alongside us to deliver apprenticeships wherever new or existing staff need to develop significant new skills and knowledge for their job role or with a view to advancement.

### Levy and Apprenticeship Reforms

7. Our new approach to apprenticeships has in part been driven by the introduction of the Apprentice Levy and also The Enterprise Act 2016 which provided for a Public Sector Duty target of 2.3% of staff employed under apprenticeship agreements by 31 March 2021. For Bristol City Council, 2.3% is equivalent to **276 staff working under apprenticeship agreements by March 2021**. This is a significant increase as we estimate that there are currently less than 100 staff employed on scheme at present (see Appendix 1 for BCC Apprenticeships April 2017).
8. Since April 2017, Government funding of apprenticeships has changed, and the Council, like other large employers, is required to contribute to a new apprenticeship levy. The levy funds are held to cover eligible costs of training and assessment provision within an apprenticeship framework or standard. Apprenticeship levy funds will be managed directly by the Council through a new Government-provided online apprenticeship service account.
9. It is estimated that the Council's apprenticeship levy fund will be **£1.1m** per annum. In addition, the Council will continue to deliver its apprenticeship offer on behalf of other levy-paying employers and small and medium enterprises ("SMEs") in the area. This contract is currently worth **£800,000** per annum. Where it is sensible to do so the Council will collaborate with other employers, training providers and Local Authorities to develop new schemes where there are gaps.
10. Government policy which is being implemented via the Levy system is that employers should take full responsibility for the design and implementation of schemes which support the development of skills and knowledge within the workforce.
11. Levy funds can only be used to pay for the training and education costs of learners who are following a recognised apprenticeship framework or standard. The Education and Skills Funding Agency (ESFA) prescribe the methods of spend. All activities through the Levy Account will be subject to independent audit. OFSTED and qualification awarding organisations will further assess quality of provision.
12. Since 2015 apprenticeship training and education programmes have been changing from **frameworks** (complementary groups of qualifications whereby apprentices have to complete all the required qualifications and there is no grading) to **standards** (concise descriptors of fundamental skills and knowledge requirements for a given job whereby apprentices have to complete the requirements of the standards and then pass an End Point Assessment which in most cases will be graded).
13. In many cases these changes are relatively minor; however, a whole new approach is possible as certain schemes will have no mandated qualifications within them and should be designed to meet the standards through employer input and targeted training. Additionally, this has opened up the market to innovation especially around higher level and degree schemes. The potential future offer is vast covering many sectors with apprenticeships available at Levels 2 (GCSE) to Level 7 (Masters).

14. From 2018, Bristol City Council can elect to share 10% of its apprenticeship levy with external employers. This provides an opportunity to build the capacity of small and medium enterprises and partner employers, including local businesses that supply critical services to Bristol citizens and communities.

### **Supporting Managers and Employees**

15. The new Apprenticeship Service will work in close consultation with teams and training providers to agree a strong delivery model. It is anticipated that this will enable the Council to recoup staff and overhead costs where a significant element of delivery of training is in-house and off-the-job.

16. The Learning and Development team have been funding formal training through NVQ qualifications and professional body certification and have identified opportunities for these programmes to operate as apprenticeships. In addition, the new standards around leadership and management offer additional opportunities for staff development that can support progression to a range of future job roles.

17. Within both ESL and HR there is considerable experience of supporting managers and individual apprentices – including a range of expert handbooks, induction training, and assessment materials. For example, in 2016/17, a number of care leavers have been provided with intensive support by HR advisors and by individual team supervisors. Going forward, it is critical to review what has worked and to further improve customised mentoring and coaching training packages.

18. The new Apprenticeship Service will build on existing good practice to target under-represented equalities communities. For example, working in partnership with the Council's Housing Delivery Team, the On Site Bristol Team introduced positive role models and ambassadors in local schools and academies resulting in the successful recruitment of 13 BME and young women apprenticeships onto construction apprenticeships. Going forward, the establishment of a single apprenticeship service will enable improved collation and reporting of equalities data, including oversight and use of sub-regional and national benchmark data.

19. A number of new and emerging apprenticeship schemes are already under discussion in priority recruitment areas (e.g. health and social care) with potential to use apprenticeships for targeted staff development and progression. For example managers are currently exploring how they can support Bristol City Council Family Support Workers to obtain degree qualified Social Worker status through a customised learning and supervision programme.

### **Trade Union Engagement**

20. There are many important ways in which Trade Unions are already supporting their members and other employees to benefit from apprenticeship opportunities. For example, Trade Union officials and Trade Union Learning Representatives are:

- contributing to apprenticeship induction training;
- acting as apprenticeship champions;
- sharing promotional information about Bristol Apprentice opportunities;
- supporting TU members and employees to apply.

21. An Apprenticeship Steering Group is being set up, led by the Strategic Director (People) and comprising members from all Directorates and other key stakeholders, including HR, Finance, Locally Managed Schools and Trade Unions. This group will oversee the development of a new Apprenticeship strategy and offer, including robust monitoring of a costed business plan, targeted programme planning, recruitment and quality review through regular monitoring and evaluation reports. Trade Unions are invited to nominate a representative to join this group which is being launched in September 2017.

### **Consultation**

22. Internal  
Not required because this report is for information only.
23. External  
Not required because this report is for information only.

### **Proposal**

24. That the Committee notes the report.

### **Other Options Considered**

25. None.

### **Risk Assessment**

26. Not required because this report is for information only.

### **Public Sector Equality Duties**

- 27a) 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 –
  - tackle prejudice; and
  - promote understanding.

27b) Not required because this report is for information only.

### **Legal and Resource Implications**

#### **Legal**

Not required because this report is for information only.

#### **Financial**

(a) Revenue

(b) Capital

Not required because this report is for information only.

#### **Land**

Not applicable.

#### **Personnel**

Not required because this report is for information only.

#### **Appendices:**

A – Bristol City Council Apprenticeships – Position in April 2017

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None

## Bristol City Council Apprenticeships – Position in April 2017

Framework / Standard	No. employed	Level	16-18	19+
Engineering, Civil	7	3		7
Horticulture/ Landscaping	3	2		3
Mechanic	1	2		1
Administration	23	2	1	22
	13	3		13
ICT	1	2		1
Sports Coaching	1	2		1
Finance (AAT)	1	2		1
	2	3		2
HR Management	1	5		1
Health and Social Care	5	2		5
Marketing	1	2		1
Childcare	1	2		1
	1	3		1
Building Surveying	2	3		2
Carpentry & Joinery	2	2	2	
	3	3	1	2
Electrical Installation	6	3	6	
Painting & Decorating	2	2	1	1
Plastering	3	2	3	
Plumbing	3	2	1	2
Plumbing & Gas Engineering	5	3	3	2
<b>Total</b>	<b>87</b>		<b>18</b>	<b>69</b>