

HR Committee

18 February 2021



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| Report of: | Alison Hurley, Service Director; Education Learning and Skills |
| Title: | Bristol City Council Apprenticeships Service |
| Ward: | Citywide |
| Officer Presenting Report: | Jane Taylor, Head of Service (Employment, Skills & Learning) Darren Perkins, Apprenticeship Manager |
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Recommendation

To receive an update on the progress of the Council's apprenticeship provision for departmental staff and staff employed within maintained schools

Summary

Update on progress with developing the Bristol Apprenticeships offer, levy funding and joint working needed to embed apprenticeships as a primary source of staff development and training aligned to workforce planning

The significant issues in the report are:

1. 429 apprenticeships in total since May 2017
2. Covid impacted on apprenticeship starts
3. Levy spend £1.3m against contribution £3.9m
4. Levy funds expired £583k
5. Growth in numbers of starts encouraging

Policy

1. This report and recommendation relates primarily to:
 - a) The Corporate Strategy makes a commitment to develop a diverse economy that offers opportunity to all and makes quality work experience and apprenticeships available to every young person.
 - b) The Organisational Improvement Plan makes a commitment to: support the recruitment and retention of apprentices to the council (252 by 2021) and make full use of the apprenticeship levy to support learning and development and career progression.

Consultation

2. **Internal**
Not applicable
3. **External**
Not applicable
4. **Context**

4.1 In May 2017 the Apprenticeship Levy was introduced requiring large employers to contribute 0.5% of their salary bill into a Government managed fund for apprenticeship training costs. These funds are retained for employer use for 24 months from transfer to levy account (a digital 'virtual' funding system). After 24 months unspent levy funds are transferred to HM Treasury. The Enterprise Act 2016 also introduced a public sector duty requiring local authorities and others to ensure that each year public bodies start 2.3% of their staff onto apprenticeships. Based upon BCC workforce at 31st March 2020 (including maintained schools) this provides a target of 223 apprenticeships per annum.

4.2 Bristol City Council has been approved as a government contracted apprenticeship training provider since 2002. We hold a current OFSTED grade of 2 (Good) awarded Feb 2020 and our On Site Bristol provision has been a vital component of the development of construction apprenticeships in the greater Bristol area. This contracting and brokerage lent itself well to BCC developing an employer provider model for the blended delivery of apprenticeships to serve the needs of departments and other employers. This model was proposed and approved by Cabinet in July 2017 and the Bristol Apprenticeship Service commenced in October 2017. At present the service comprises 2 FTE staff within the Employment, Skills and Learning Team.

4.3 To ensure a continuation of high quality training the team worked with commissioning and procurement and developed a dynamic purchasing system (DPS) which has so far approved 23 providers approved to deliver training in 21 separate specialist areas of learning. Due to the impact of Coronavirus a refreshed procurement exercise has been deferred with planned completion by 30th June 2021.

4.4 Attempts to implement the planned blended delivery of apprenticeships internally have not proceeded as the Council has not produced sufficient numbers of apprentices for programmes

where it would be viable from quality and financial benefit perspective. The service thus has limited scope to expand staff numbers.

4.5 Having developed demand in the period to January 2020 the Council supported 173 starts in the year to 31 March 2020. This outcome was less than expected but stemmed from impact of Coronavirus which saw 54 potential starts cancelled and/or deferred due to lockdown in or just after the quarter ended (negating those starts). Since March 2020 57 staff have commenced new schemes as Further and Higher Education providers have slowly been able to implement remote learning and teams have been able to consider the investment of time and resource for development – these are mostly existing staff and external recruitment has been affected; we have 81 potential starts due in the next quarter (see appendix 1). However, 138 projected starts within £ year remains well below our Public Sector Duty target and will need to ensure the pace of recruitment continues at current levels to meet and exceed 2021/22 target. We currently offer 54 distinct programmes across a variety of apprenticeship types and at each of levels 2 to 7. We are also working on a further new schemes which include departmental input to ensure BCC bespoke needs are met – including for example Occupational Therapist Integrated Degree. However, given the reduced external recruitment activity especially for entry level roles this will need to be a focus for post-Covid recovery and linked to initiatives such as Kickstart, Hire a New Apprentice and the new One Front Door scheme launching March 2021.

4.6 Since May 2017 BCC has contributed £3.97 million to the levy and this has generated a government top up of £307,991 providing a total input of £4.27 million. To date £1,310,819 has been spent and we have a further £706,000 committed spend over next year at a rate of £45,000 per month and pipeline starts should increase monthly spend to £70,000 per month. However, we still need to significantly increase the rate of spend to prevent significant sums expiring to Treasury. So meeting our public sector duty target would increase spend to approximately £100,000 per month and we will need to increase starts to approximately 250 per annum or an average of circa 350 staff on programme at any one time to fully utilise. Since November 2019 total expired levy amounts to £583,076.

4.7 In addition to the above and noting the significant underspend we have developed BCC Levy Sharing scheme (known as Levy Transfer). Having launched the scheme May 2019 we have had significant interest that has led to a number of apprenticeship starts but regrettably minimal spend to-date. Transfers are agreed and underway with Avon & Somerset Police, Bristol Care Homes and 2 small enterprises but the rate of conversion is low. WECA are introducing a matching service to replicate models in West Midlands and Manchester which will assist the location and matching and support of suitable businesses given the resourcing required.

4.8 We continue to see a disparity with Council departments creating opportunities at a rate nearly equal to 2.3% but maintained schools continuing not to engage in or utilise the scheme with some barriers. In some cases the existing infrastructure acts as a barrier e.g. the Registered Teacher Degree apprenticeship is not being utilised as the set up of ITTs as approved centres means local schools tend to follow their arrangements. Further work is required here and we have joined an LGA initiative to increase engagement with peer support across a group of up to 12 Local Authorities commencing March 2021

4.9 Alongside the financial and numerical targets BCC has consistently aimed to ensure that we focus our attention on the diversification of our workforce as a means for social mobility and the improvement of services. As an early adopter of the National Apprenticeship Services' (NAS) 'Apprenticeship Diversity Champions' (ADCN) pledge the Council through the Mayor was invited in 2018 to lead the City as part of a national 5-Cities Diversity Hub project. This scheme seeks to increase BAME participation in apprenticeships to 20% by 2020 allowing the 5-Cities (Birmingham, Bristol, Leicester, London and Manchester) to develop their own additional priority groups. This initiative has now been withdrawn by Education and Skills Funding Agency as they are developing a revised ADCN approach with an opening event 10th February 2021 during National Apprenticeship Week.

4.10 Statistics obtained from NAS show that whilst there has been an improvement overall in apprenticeship starts in the city the rate of recruitment of BAME apprentices across all industrial categories has not yet reached the target. The last full year data to July 2018 shows 14.3% BAME participation in Bristol. The Council's own recruitment of new staff onto apprenticeships has produced 29% BAME and 36% 16 to 18 starts. BCC recruitment of staff and new employees overall from the priority groups we have defined has been consistent and is currently 42%.

4.11 To underpin the increased interest we have developed amongst staff and teams and in conjunction with HR, Organisational Development and Learning & Development the Apprenticeships Team will now report progress via the Talent Management Steering Group. Alongside reporting a working group on apprenticeships is being developed from Steering Group members or their colleagues to inform how we move forward with the provision of apprenticeships to meet succession and workforce development goals of the organisation and individuals. This approach is the culmination of a number of attempts, following LGA support, to find a suitable cross-Council reporting structure and we will be looking to Senior Leads involved in the approach to champion apprenticeships and delivery of levy spend and recruitment targets.

Proposal

5. This report is being presented to HR Committee for information and discussion of options to increase our apprenticeship expansion in line with our public sector duty and through our Levy fund. Committee Members can provide support with promoting apprenticeships in the City Council and local schools, and also through the Levy Sharing scheme.

Other Options Considered

6. Covered above

Risk Assessment

7.1 The risk that Bristol City Council may not fully utilise our apprenticeship levy was included in the People Directorate Risk Register and continues to be reported upon. A number of mitigating actions identified to enable us to accelerate apprenticeship recruitment have been hampered by Covid 19 but remain under consideration and open for review with the apprenticeship working group (and contingent upon resourcing), including:

- i) An apprenticeships first model where all recruitment activity at all levels is linked to an assessment of appointees for suitable enrolment on developmental apprenticeships
- ii) Directorate and Team targets
- iii) Focused activity linked to maintained schools

The provision of directorate and team targets

Public Sector Equality Duties

- 8a) 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.
- 8b) Our public sector equality duties are being fully considered and implemented through our apprenticeship planning, promotion, recruitment and reporting. An equality impact

assessment was initially prepared when the Apprenticeship Service was created. A second equality impact assessment is currently being prepared in relation to the Levy Sharing Scheme

Legal and Resource Implications

Legal

Financial

(a) Revenue

(b) Capital

Land

Personnel

Appendices:

Appendix 1. BCC Apprenticeship Starts

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: