

# **CHESHIRE EAST COUNCIL**

## **Jobs Regeneration and Assets Overview and Scrutiny Committee**

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**Date of Meeting:** 18 July 2016  
**Report of:** Head of Strategic HR  
Sara Barker  
**Subject/Title:** Progress Report on Apprenticeships Task & Finish Group  
Recommendations  
**Portfolio Holder:** Cllr Paul Findlow – Corporate Policy and Legal Services Portfolio  
Holder

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### **1 Report Summary**

- 1.1 This report provides an update on progress in respect of apprenticeships and outlines how Cheshire East Council is addressing the recommendations of the Jobs Regeneration and Assets Overview and Scrutiny Committee – Apprenticeships Task and Finish Group - March 2016 (Appendix One).

### **2 Recommendation**

- 2.1 That this report is presented to Members to note the response to the recommendations of the Apprenticeships Task and Finish Group Report.

### **3 Reasons for Recommendations**

- 3.1 To update Members on the progress to date against the recommendations of the Apprenticeships Task and Finish group

### **4 Wards and Local Ward Members Affected**

- 4.1 All Wards.

### **5 Background and Options**

- 5.1 The Task Group was established to consider how the Council can become a leader and best practice example of apprenticeship provision in Cheshire East to other local organisations.
- 5.2 The Group's original scope for the review included all apprenticeships in the Borough and how the Council supports the growth in the number and the

quality of apprenticeships. However, it was agreed at an early stage in the Group's discussions that first the Council needed to be sure it had high quality arrangements in place for its own apprenticeship schemes, before it was effectively able to promote apprenticeships and encourage other organisations to adopt the same standards.

- 5.3 At the same time, the Enterprise Bill was developing and new requirements such as the apprenticeship levy and public sector targets were being realised and it was essential for the Council to ensure it prepared to comply with the new rules. Therefore, the objectives of the Task & Finish Review were:
- to increase the number of apprenticeships provided by the Council to ensure the 2.3% quota set by Government is achieved;
  - to consider how the Council should administer the Apprenticeship Levy and how it could benefit the Council;
  - to make the Council a model of best practice in the employment of apprentices and achieve a high retention rate.
- 5.4 The Group presented their final report and recommendations to Cabinet in April 2016 (Appendix 1: Jobs Regeneration Assets Overview and Scrutiny Committee Apprenticeships Task and Finish Group Final Report. Their recommendations were made to ensure the Council provides high quality apprenticeships and training that meets the requirements of legislation.

## **6.0 Response from the Head of Strategic HR to the recommendations for Cheshire East Council**

Details of progress against the recommendations are detailed below with the Task and Finish Group recommendations included as headings in bold.

### **6.1 Recommendation One - Agreed**

**The Council develops a holistic corporate plan for apprenticeships which identifies the type of apprenticeships needed, how they will help to achieve the Council's aims, where in the Council structure they can be placed, how apprentices will be recruited and supported on the job and provided with long term opportunities.**

A full scale, comprehensive review of our current apprenticeship scheme is underway, led by HR. The review is part of the process to ensure we are fully compliant with the new legislation. It is also being carried out as part of a wider exercise to inform a way forward with the future development and improvement of the scheme. The review is examining:

- the overall vision for the scheme;

- the apprentices we currently have on our scheme and the qualifications they held prior to joining our scheme;
- the contract they are employed on;
- the subject and level of the qualification they are studying towards;
- their progress towards the completion of their qualification;
- the retention/progression of apprentices;
- the HR processes currently in place that affect the apprenticeship scheme;
- the training needed by our workplace supervisors;
- the training providers used for our apprenticeship scheme;
- the barriers encountered by some apprentices and how these can be addressed;
- how the scheme can also support the wider workforce in Cheshire East;
- the current process to recruit apprentices and how this could be improved.

The ongoing review has already initiated a number of actions. The first of these is that new apprentices to the Council should be recruited on the basis of there being a genuine apprenticeship opportunity that has potential to shape and progress an individual, as opposed to being led by a business need for a job of work.

The Council's People Plan 2016/2017, serves as the link from the apprenticeship scheme to our corporate objectives and with it a link to a wider skills mapping exercise across the organisation. This allows us to identify where there are skills and workforce gaps in the organisation and the subsequent development of an appropriate level apprenticeship opportunity could form part of a strategy to address any identified gaps.

The review outlined above will be finalised by September 2016.

In order to fulfil our commitment to the incoming public sector target of 2.3% of the workforce being made up of apprenticeships, we should also examine existing departmental workforce development plans and accompanying skills gap analysis exercises carried out by the Workforce Development Team for departments with issues around recruitment and retention to identify possible apprenticeship 'development' opportunities for existing employees at Cheshire East Council.

## **6.2 Recommendation Two - Agreed**

**All apprenticeships provided by the Council must meet minimum standards and provide apprentices with long term employability as will be required by the Institute for Apprenticeships and recommended by Ofsted.**

The Enterprise Act introduces new legislation to support the legal standing of apprentices. It strengthens and protects the reputation of the apprenticeship brand for training providers, employers and apprentices. In anticipation of the changes, HR has already developed a new contract for all apprentices at the Council to ensure we are compliant with these new regulations and improve the standard of our apprenticeship scheme. The new contract will be in place by the end of July 2016. The contract will also enshrine the value of an apprenticeship at the Council and make sure there is a mechanism in place for tackling apprentices that are not being provided with a sufficiently fulfilling apprenticeship.

The contract also allows us mechanisms to ensure that apprentices perform to the appropriate levels in both the training and work element of their apprenticeships, meaning the standard of the scheme remains high.

The review has also brought about a further diversification of our apprenticeship offer, bringing for the first time, a new apprenticeship in Facilities Management. This has been introduced with a new training provider and discussions have also begun with local Colleges and Universities to look at the development of partnership delivery and the introduction of new training providers to our scheme.

The review has begun to examine the knowledge gaps held by the work based supervisors of apprentices and scheduled workshop for September 2016 to begin to address these gaps.

## **6.3 Recommendation Three - Agreed**

**The Council consider how, and where, more Higher Apprenticeships and Degree Level Apprenticeships can be created to provide more opportunities for skilled local young people and ensure the Council has a skilled workforce for the future, taking into consideration the higher salaries that these apprenticeships command.**

The Workforce Development Team has begun the process of identifying the providers of degree apprenticeships within the region and also begun discussions with a number of departments within the Council, who are struggling to recruit appropriately skilled staff, to see if a degree

apprenticeship might be appropriate to their needs. The existing CPD panel is also considering potential opportunities of higher apprenticeships as an alternative to more traditional formal qualifications.

Discussions with the Council's CPD Panel need to be held to look at the opportunities presented by the legislation changes for our existing workforce and their individual training requirements.

#### **6.4 Recommendation Four - Agreed**

**The Council's Budget setting for 2017/18 ensures that the Apprenticeship Levy and additional costs of meeting the 2.3% apprenticeship quota, including administrative costs, be taken into consideration.**

As referred to in 6.1, our target of 64 apprentices from April 2017 can also be met by existing employers who are receiving training (on a recognised apprenticeship standard) in order to further their development. It should also be noted that many of our staff need to have completed/be taking recognised qualifications in order to be compliant with their regulatory body and the new standards being developed for apprenticeships are likely to meet these requirements, therefore counting towards our target. Cheshire East Council can use the Digital Apprenticeship Service (DAS) to fund the training element of these qualifications. Taking this into account, the additional salary costs for all apprentices should be met by the existing budget provision for employees.

The figures for December 2015 indicate that the Council's salary bill was £74,532,932. Based on this figure, the Council's levy payment would be £357,665 (0.5% - £15,000 allowance). A business case for this funding is to be submitted to the business planning process for 17/18 by the end of August.

It should be noted though again that we await clarity on whether schools on our payroll are to be included in our total workforce figures. If they are, then this would dramatically increase the target we would have for apprentices as well as the levy payment. Further guidance is to be issued by the BIS/DfE in October and December.

#### **6.5 Recommendation Five - Agreed**

**The Apprenticeship Levy and access to the Digital Apprenticeship Service should be administered and managed centrally in Human Resources with sufficient additional resources allocated to cover the administrative costs.**

The introduction of a levy from next year will mean that a number of new internal procedures need to be established from April 2017.

With the introduction of the DAS from April 2017, Cheshire East Council will negotiate and agree a price (within an agreed band and cap) with a registered training provider for each apprentice. The DAS will also be available for employers to post Apprenticeship vacancies.

An Officer Working Group has been set up to establish the procedures needed to run the scheme, with representatives from both HR and Finance. HR is taking the lead on this work and will designate a lead officer responsible for the DAS by December 2016. This group will examine the resources and procedures required by the Apprenticeship Levy and report back appropriately on their findings.

## **6.6 Recommendation Six – Minor Variation**

**All apprenticeships be employed and managed centrally within Human Resources as part of the Council's core to ensure standards are maintained and to provide flexibility for the Council to place apprentices where they are needed when there is demand and provide apprentices with more experience of different departments and roles within the organisation. This should be funded by taking contributions from departments' budgets where apprentices are able to be employed.**

Based on a total FTE headcount of 2883 in September 2015 (excluding schools and ASDVs), CEC would have a target for apprentices of 66 from April 2017. This could change significantly, depending on the guidance around the inclusion of schools within our total payroll figure. The approximate average salary cost of an apprentice (aged 18-20) is £12,842 including on costs. The total wage bill for 66 apprentices would therefore be £847,572.

Current apprentices have their salaries met 100% by the department in which they are working.

It is recommended that apprentices that are new to Cheshire East Council are managed by HR, with their salaries being recharged to their seconded work base.

Those members of existing staff, who are completing a qualification as part of their progression with CEC would need to be treated as a distinct cohort of apprentices, with their management and salaries continuing to be met directly by their department.

## **6.7 Recommendation Seven - Agreed**

**The Council develops a preferred training provider list to ensure that apprenticeship training is of the highest standard and contracts are in place, and can be monitored, to support the purchase of apprenticeship training through the Digital Apprenticeship Service.**

In order for us to access our levy funds to pay for the training element of an apprenticeship, all training providers we use from April 2017 will need to be registered with the DAS.

Work on a training providers selection process has already begun, being led by HR. Discussions have already been held and are scheduled to take place with new potential training providers with the aim of establishing a preferred providers list by April 2017. We will need to regularly update the preferred provider list as more and more new trailblazer standards and new degree apprenticeships become available. It is anticipated that a 'Memorandum of Understanding' will be introduced for all training providers on the Council's preferred supplier list. We would recommend that the Workforce Development Team with HR continue to lead on this work.

## **6.8 Recommendation Eight - Agreed**

**In order to attract high quality candidates the salaries for apprenticeships be maintained at national minimum wage based on age to ensure apprenticeships remain attractive options for young people and that all apprenticeship posts are advertised within schools and colleges at an early stage in the academic year.**

Competition for apprentices has already increased and the new legislation is only set to increase this even further. Our current recruitment process is rigorous, but new procedures moving forward and the introduction of new training providers will allow our apprentices to access higher levels and a wider range of qualifications to underpin the job role we are providing them with.

The offer of a minimum wage rate is essential to recruiting apprentices to the CEC programme.

Recent progress has been made on the advertisement of opportunities within schools and colleges. Discussions are ongoing as part of the establishment of training partnerships with other providers to introduce more collaborative working on recruitment of apprentices. We have already started advertising new apprenticeship opportunities to relevant schools.

## **6.9 Recommendation Nine - Agreed**

**In its role as a corporate parent, as well as seeking to employ high quality candidates, the Council ensures it provides opportunities to all young people, including care leavers and SEND. The Cygnet Pilot should be evaluated with a view to continuing some form of provision for young who face challenging circumstances.**

The Cygnet Programme has now been evaluated and a report submitted to the Corporate Parenting Board. Children's SMT is scheduled to discuss the future provision of a Cygnet Programme and the possible commissioning of needs around its delivery.

Work has begun on forging links with external organisations and our ASDVs to ensure opportunities for our care leavers are maximised. The intake of new apprentices by Ringway Jacobs has allowed us to specifically target this group of young people.

## **6.10 Recommendation Ten - Agreed**

**The Council continues to support the Crewe and Macclesfield Pledges and any future pledges created in the Borough and liaises with those local organisations involved in the pledges to create opportunities for our young people, particularly those internal apprentices that the Council may not be able to provide with long term opportunities.**

Cheshire East Council's Workforce Development Team continues its support of the Crewe and the Macclesfield Pledge and is an active participant in this initiative.

As part of this activity, we have recently hosted two groups of local schoolchildren, enrolled on Employment Readiness Programmes and also heavily supported a new initiative being led by the Macclesfield Pledge and the Crewe Pledge to help develop apprenticeship programmes within our local schools.

## **6.11 Recommendation Eleven – Minor Variation**

**The Jobs Regeneration and Assets Overview and Scrutiny establishes a further Task and Finish Review to consider apprenticeship provision across Cheshire East external to the Council including: the private sector, other public bodies, the third sector and how provision is being development by other organisations such as Chambers of Commerce and the Local Enterprise Partnership alongside the Skills and Growth ASDV.**



It is recommended that this is further reviewed in twelve months time once the Enterprise Act has come into effect. At this point, it would be pertinent to work both internally and externally to identify best practice across the Cheshire East footprint and explore the opportunities around a public sector apprenticeship, working in partnership with our public sector partners in health for example.

## **7.0 Contact Information**

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