

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Phil Adams, Executive Manager People and Public Protection
(Portfolio Holder, Councillor Colin Johnson)

To: South Holland District Council, 17 January 2018

Author: Claire Burton, HR Manager (Spalding)

Subject: Apprenticeship Programme

Purpose: This report presents the proposal of an Apprenticeship Programme

Recommendation

That the Apprenticeship Programme, as described in this report, be approved.

1.0 BACKGROUND

- 1.1 A new Apprenticeship Levy was implemented by The Government from April this year, with the aim of funding three million start up apprenticeships in the UK by 2020. The Government has committed to boosting productivity by investing in human capital and there is a pledge to develop vocational skills and to increase the quantity and quality of apprenticeships.
- 1.2 All employers with a pay bill greater than £3 million each year are required to pay the apprenticeship levy; the levy is charged at 0.5% of the employers pay bill. Employers will benefit from an allowance of £15,000 per year to offset the levy payment required (0.5% x 3m = £15000)

- 1.3 South Holland Levy charge:

	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>
0.5% of pay bill of South Holland employed staff	£29,605	£32,622	£32,221
Less Levy Allowance	£15,000	£15,000	£15,000
Contribution required from SHDC	£14,605	£17,622	£17,221

- 1.4 Guidance is that local authorities should have 2.3% of their workforce as apprentices; this is currently guidance only and is not, at present, enforceable nor is the authority

penalised for not complying with this figure. SHDC will need to employ 6 apprentices to comply with this suggested target.

1.5 Apprenticeships are for everyone no matter of age, ability or level of education.

1.6 In response to the Levy, to aid succession planning and help fill posts which are traditionally difficult to fill, an Apprenticeship Programme has been developed (Appendix A)

2.1 APPRENTICESHIP PROGRAMME

2.1 Funding from the Apprenticeship Levy would go towards the cost of the training. The levy cannot be used to pay the salary of the apprentice; this would be funded by the relevant directorate. Apprenticeships now offer so much more flexibility, the proposal is to offer three routes into an apprenticeship scheme.

2.2 Business Apprenticeship Scheme

This scheme would allow our Strategy and Governance Directorate to recruit two apprentices on a two year placement on a fixed term contract starting in September 2018. The scheme would offer a Business and Administration Diploma qualification at a level 4. The apprentice would rotate between the different services within the Strategy and Governance teams for a period of up of six months. The salary for these two apprenticeships will be funded from the corporate budget.

2.2.1 Salaries would increase according to statutory entitlements:

Apprentices who are 16 to 18 years old <u>AND</u> for all who are in their first year of the Apprenticeship (regardless of age)	After completing the first year of the Apprenticeship
Current National Minimum Wage (NMW) £3.50 per hour	25 and over - £7.50 per hour (National Living Wage) 21 to 24 - £7.05 per hour (NMW) 19 to 20 - £5.60 per hour (NMW)

2.2.2 At the end of the fixed term contract, the apprentice would either apply for a permanent position within the Council or be released in line with their agreement.

2.3 The Specialist Apprenticeship

2.3.1 This apprenticeship would be offered in the specialist areas of the Council, i.e. Planning, CSU, Environmental health. The apprenticeship would be offered at a level and standard in relation to the work required. The duration of the apprenticeship

would be based on the level of qualification, with the job description being career graded with a view to becoming permanent.

2.4 The Talent Apprenticeship

- 2.4.1 This apprenticeship would be for existing employees where a discussion between Chief Officers and Management have identified talent for the future and opportunities to develop employees into positions that become available in the present or the future. This type of apprenticeship would support the succession planning and talent management of those that have delivered exceptional results and demonstrated the right behaviours and received an 'Outstanding' grading in their Performance Appraisal. The talent apprenticeship would offer a permanent contract and could offer up to a Master's level qualification to support positions such as Executive Manager in different services.

3.0 OPTIONS

- 3.1 Do Nothing
- 3.2 Approve the Apprenticeship Programme for the Council.

4.0 REASONS FOR RECOMMENDATION(S)

- 4.1 That the Apprenticeship Programme be approved in order to support the overall vision and ensuring we recruit and develop our workforce to have the skills, aptitude, knowledge and experience to deliver our corporate objectives and promote the organisation as an employer of choice.

5.0 EXPECTED BENEFITS

- 5.1 To assist in recruitment, provide staff development opportunities and ultimately help towards the improvement of service delivery.
- 5.2 The scheme provides an opportunity to gain a recognised qualification based on an agreed set of standards, linked to the person's job or future opportunity in line with the needs of the Council and the employee's career aspirations.
- 5.3 To ensure the monies from the Apprenticeship Levy are utilised in the most appropriate way to fit the Council need and that the Government's target of having 6 Apprentices is reached.

6.0 IMPLICATIONS

6.1 Carbon Footprint/Environmental Issues

- 6.1.1 None

6.2 Constitution & Legal

6.2.1 Amendments to the Apprenticeship Programme or related relevant procedures, will be made as and when there are changes to constitutional or legal requirements.

6.3 **Contracts**

6.3.1 None

6.4 **Corporate Priorities**

6.4.1 The proposals are made with the intention of supporting the Councils' corporate priority of providing the right services, at the right time, in the right way by ensuring the recruitment of high caliber individuals are in place to help deliver the corporate vision.

6.5 **Crime and Disorder**

6.5.1 None

6.6 **Equality and Diversity/Human Rights**

6.6.1 The Apprenticeship Programme is a fair, equitable and transparent scheme open to everyone no matter of age, gender or other protected characteristic.

6.7 **Financial**

6.7.1 The Apprenticeship Levy will fund much of the cost of the training with any shortfall being funded from the central training budget. Salaries of Apprentices will be funded from existing budgets within the relevant directorate (funding to be agreed) with the exception of the two corporate apprentices which will be funded by the submission of a Growth Bid in the HR service and agreed as part of the 18-19 budget setting process.

6.7.2 The costs of the corporate apprentices have been calculated at the year two rate of £5.60 per hour. In the first year Council does have the option of paying the current national minimum wage (£3.50) for a first year apprentice (saving £5,058 in the first year). There is an additional risk that if the apprentice appointed is 25 or over the hourly rate would be £7.50 per hour in the second year. This has a potential for an additional £4,790 a year per apprentice.

	Per Apprentice
Gross Pay	£10,800
National Insurance	£370
Pension	£1,800

Total	£12,970
--------------	----------------

6.7.3 The total for both corporate apprentices for a full year is £25,940 subject to any pay related increases. e.g. increase in national minimum wage.

6.7.4 If both apprentices were in post as at 1st September 2018 the 2018-2019 service Growth is £12,970, £25,940 for 2019-2020 and £12,970 for 2020-2021.

6.8 **Health and Well-being**

6.8.1 None

6.9 **Reputation**

6.9.1 By providing Apprenticeships this will support the local community and help the Council to become an employer of choice providing opportunities for all.

6.10 **Risk Management**

6.10.1 These proposals support the Government's target of employing 6 apprentices.

6.11 **Staffing**

6.11.1 These proposals are made in order to ensure the best possible infrastructure is in place to recruit, select, and retain employees across the Council.

6.12 **Stakeholders / Consultation / Timescales**

6.12.1 The Apprenticeship Programme has been shared with the unions who are keen to support the scheme.

6.12.2 This proposal has been to PDP for their comments and they have made a recommendation to proceed

6.13 **Transformation Programme**

6.13.1 These proposals are made to support the Councils' Transformation Programme

7.0 **WARDS/COMMUNITIES AFFECTED**

7.1 All wards affected

8.0 **ACRONYMS**

8.1 None used

Lead Contact Officer

Name and Post: Claire Burton, HR Manager CPBS
Telephone Number: 01775 764458
Email: claire.burton@cpbs.com

Key Decision: No

Exempt Decision: No

This report refers to a Mandatory Service

Appendices attached to this report:

Appendix A Apprenticeship Programme