

APPRENTICESHIP OPPORTUNITIES

Submitted by: Executive Director – Resources and Support Services
Executive Director – Regeneration and Development

Portfolio: Finance and Budget Management
Planning, Regeneration and Town Centres

Ward(s) affected: All

Purpose of the Report

To review options to provide apprenticeship opportunities for young people in the Borough.

Recommendations

- (a) That Cabinet note the existing apprenticeship and training opportunities within the Borough.
- (b) That officers are authorised to investigate in further detail opportunities to provide additional apprenticeship places within the Borough Council.
- (c) That officers are authorised to investigate the feasibility of working with a specialist local training provider to increase apprenticeship opportunities.
- (d) That a report is brought to a future meeting of the Cabinet detailing the outcome of the above actions.

Reasons

To increase access to and provision of apprenticeship opportunities for young people.

1. **Background**

1.1 **National and Regional**

The National Apprenticeship Service (NAS) was set up in 2008 and officially launched in 2009. NAS was set up to bring about significant growth in the numbers of employers offering apprenticeships. NAS is accountable for the national delivery of targets and the coordination of funding for apprenticeship places. NAS provides an online system where employers can advertise their apprenticeship job vacancies and potential apprentices can apply.

The Councils main link to NAS is through the Local Enterprise Partnership (LEP) Employment and Skills Implementation Group and the Staffordshire Apprenticeship Group. Both of which are responsible for encouraging more apprenticeships across Staffordshire. This information is shared with Newcastle Employment and Skills Group (NESG), which is coordinated by the Council.

1.2 Local Apprenticeships

Quarterly Apprenticeship District Reports are provided by Staffordshire County Council. The latest for Newcastle (Q2 August 2011 – January 2012) shows a positive growth in 16-18 years and a drop in 19-24 years. The drop in the 19 – 24 years was expected due to the reduction in fast track apprenticeships. The full year start figure for 2010/11 at all levels is 930. This compares with 856 for 2009/10 and 900 2008/9.

There is healthy competition between training providers and at present there are a total of 116 training providers serving residents in Newcastle. Our main providers based in Newcastle are Newcastle under Lyme College (NULC) and the Aspire Group. We also have Equality Training, MARTEC and Performance through People based in the borough.

These providers are members of Staffordshire Providers Association (SPA), which provides a communication network for 39 member organisations and encourages links with other professional bodies to improve the quality of learning in line with regional and national developments.

NULC receives in the region of 500 applications each year for apprenticeships, mainly from 16-25years. The college is working with new companies this year who have been encouraged by the recent government employer incentives of £1500 to those employers new to apprenticeships or those who have not taken on an apprentice since April 2009. This funding is aimed at SME's (small and medium enterprise) and not public sector.

The Council has a successful track record of working with PM Training, especially in the delivery of public realm improvements in Knutton and Cross Heath as part of the Housing Market Renewal programme. As well as the positive uplift to the area, the projects provided real work experience for young people from the local area.

In July 2010 the Council signed up to a Memorandum of Understanding (MOU) with PM Training (part of the Aspire Group). In line with PM Training's vision to create enterprising futures for individuals, the MOU sets out a frame-work within which the Council and PM Training will endeavour to work together in order to procure the effective regeneration of the area and help to address the issues associated with worklessness.

A successful joint supplier event was held at Keele University in February 2011. By December 2011 this resulted in 38 16-18 year old apprenticeships, 51 adult apprenticeships and 12 train to gain opportunities.

Members will also be aware that a new PM Training Centre opened in Brick Kiln Lane in Chesterton. The Centre opened in December 2011 and provides foundation learning opportunities for local young people living in Newcastle. It is expected that 150 young people aged 16-18 years will benefit and approximately 100 are expected to take up apprenticeships.

The Aspire Group currently employs 96 apprentices, which is 14% of their workforce.

1.3 Current Position

The Council currently employees 4 apprentices within Streetscene, Garage Workshop and ICT. In the first year of their apprenticeship they are paid the hourly rate of £2.60. This had enabled

the council to take on 4 this year. However, the hourly rate increases in the second year in line with the National Minimum Wage.

In the past we have found it difficult to fill vacant posts due to a low number of applications received and also the skills did not match the criteria.

The council also offers work experience placements ranging from year 10 and 11 students who are still at school for a period of two weeks and also for students attending college or university as part of a six week paid placement under the Internship Scheme. The council has found that work experience plays a key role in helping young people develop an understanding of the world of work and what working is really like. It can help them to think about what options are available to when they leave school or college and can also help to promote working within local government.

During April 2010 to March 2011 the council had received 75 work experience placements working within various service areas such as Environmental, ICT, Communications, Landscape, Museum, Finance, Audit, Customer Service, Planning, Streetscene and Leisure including Football Development'.

2. **Issues**

2.1 **Future Opportunities Across the Borough**

- (i) Build on our positive relationship with the Aspire Group and NULC to identify opportunities to employ more apprentices here at the Borough Council
- (ii) Continue to work with NESG, SPA, Staffordshire Apprenticeship Group and Newcastle providers to identify further opportunities for apprenticeship growth with employers based in the borough
- (iii) Continue to work in partnership with the LEP Employment and Skills Implementation Group to provide clear information to employers about the benefits of apprenticeships
- (iv) Potential opportunities to increase the number of apprentices within the council, that would require further investigation.
 - Potential funding opportunities - Work Programme - Youth Contract Wage Incentive - up to £1,500 for an apprentice or if we take on a permanent employee up to £2,275
 - Working in partnership with other local organisations - Shared Apprenticeship Scheme
 - Review service budgets, any potential under spend
 - Set up an NVQ assessment centre at the council to bring in government revenue that will fund apprenticeships
 - Set up a Training Academy - 'fit for work'
 - Review any potential vacant posts to turn into apprenticeships or graduate schemes

3. **Options Considered**

3.1 **Do Nothing**

This would fail to ensure that options to improve the opportunities and training prospects of young people in the Borough are properly considered.

3.2 **Approve the Recommendations**

This would support further investigation into providing apprenticeship opportunities for young people.

4. **Proposal**

4.1 That Cabinet approve in principle the recommendations.

5. **Reasons for Preferred Solution**

5.1 To facilitate further investigation into providing apprenticeship opportunities.

6. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

6.1 The proposals support the Council's priority of 'Creating a Borough of Opportunity'. It will also have implications for the Council's workforce development policies.

7. **Legal and Statutory Implications**

None at this point.

8. **Equality Impact Assessment**

8.1 No discernable differential impact has been identified at this stage. However improved opportunities for young people to access training and employment will contribute positively to meeting the Council's equality objectives.

9. **Financial and Resource Implications**

9.1 The financial implications of the report will be determined as part of the recommended further investigations of potential opportunities.

9.2 Some current provision is made within the General Fund Revenue Programme for apprentice places within the Borough Council as detailed in the report.

10. **Major Risks**

10.1 No major risks have been identified at this stage. However the potential risks associated with progressing or not progressing initiatives are listed below.

Risks if scheme not taken on:

- Reputation damage

- Failure to meet Corporate Priorities
- Not achieving succession planning in the council
- Failure to meet SCS priorities
- Failure to work effectively with partners

Risks if scheme is undertaken:

- Financial implications
- Being able to meet demand

11. **Key Decision Information**

- 11.1 The report will not entail significant expenditure on savings for the Council and will impact on no more than 2 wards at this stage. It has therefore not been included in the Forward Plan.