Progress Report: Apprenticeship Scheme

Overview and Scrutiny PVFM Select Committee
Officer contact: John Fraine x8709

Thursday 8th September 2011
Crompton Suite, Civic Centre

1 PURPOSE OF THE REPORT
The purpose of the report is to provide an update on the progress made in relation to Apprenticeships since the last report which was presented to the Overview and Scrutiny meeting of 27th January 2011.

2 SUMMARY
2.1 The O+S Skills, Education and Training select group published a report on apprenticeships in November 2009 which made 16 key recommendations in relation to taking the apprenticeships agenda forward in Oldham. A progress report was presented to the Overview and Scrutiny meeting of 27th January 2011 which gave details of the achievements made and the significant changes in policy which had, and continue to take place in this area. A copy of the report is included at appendix 1.

2.2 The Apprenticeship agenda has continued to develop within the Council and as at August 2011, 20 fixed term apprentice contracts are in place; over 50 apprentices are employed in services and over 100 existing staff have been converted to apprenticeships in order to pursue study whilst undertaking their role. Areas of activity include

- Security
- Business Administration
- Teaching Assistants
- Sports Development
- Youth Work
- Management
- Team Leading
- Accounting
- Cleaning
- ICT
- Local Environmental Services (Street Scene, Parks and Countryside, Waste Management)
- Horticulture
2.3 The progress made in respect of apprenticeships across the council is due to the cooperation of managers, the strengthening of the role of Workforce Coordinator (Youth Employment and Apprenticeships) and, crucially, the extension of the contract of the Passport to Employment (P2E) Coordinator whose PIF Funding ceased in March 2011 but whose contract has been extended to March 2012.

The P2E Coordinator was key in developing an agreement with the Oldham Apprenticeship Alliance which will achieve efficiencies of approximately £450k by using apprenticeships rather than full-cost qualification routes in the period December 2010 and July 2012.

The Council was fully involved in the Oldham 100 in 100 campaign (100 apprenticeships in 100 days) in conjunction with the Alliance, local training providers and the National Apprenticeship Service. The campaign was very successful, achieving 171 apprenticeships in total, 55 of which were in the Council. The campaign achieved its aim of raising the profile of apprentices across the Borough, with considerable media interest.

2.4 Successes in areas related to the apprenticeship agenda include

- 500 Future Jobs Fund placements in total
- Further development of work placements within the Council
- A pre-employment scheme in place, particularly supporting Looked After Children who need opportunities either as a precursor to an apprenticeship or as an alternative
- Successful assessment against the North West Employers Skills Award criteria with presentation of the Award taking place in September
- Continued activity in relation to Skills for Life and recognition of our work, especially the strong engagement of Union Learning Representatives, both at a celebration event at Westminster and by the BBC Skillswise website.

2.5 A variety of areas for further development have been identified and are currently being progressed including

- Restating the Council’s commitment to apprenticeships as part of its wider Passport to Employment scheme and vision of being an Employer of Choice
- Introducing mentoring and coaching for apprenticeships and their managers where this is required
- Developing a Looked After Children work experience scheme
- Further developing the P2E model to include further research and analysis on potential savings to the council from alternative recruitment methods,
- Working with Job Centre Plus and the Work Programme on initiatives to support the worklessness agenda.
- Developing a P2E Portfolio of Best Practice both for the Council and to share with partners

3 RECOMMENDATIONS
3.1 That the progress of the Apprenticeship scheme and associated activity to date be noted
3.2 That the areas of further development in this work be endorsed.

4 CONSULTATION UNDERTAKEN

Legal ☐ Finance ☐ Other ☐ x
Managers of services involved in the apprenticeship scheme have been consulted by the setting up of a Managers Forum
Trade Union consultation is ongoing via the Skills for Life Working Group

5 IMPACT ON COMMUNITY STRATEGY & COMMUNITY COHESION
This work is in keeping with the priorities of the Community Strategy and promoting community cohesion.

6 IMPACT ON EQUALITIES
A key aim of the scheme is to achieve a representative workforce within the Council and to promote positive opportunities for work and work experience for the citizens of Oldham.

7 APPENDICES

Appendix 1 Progress on Scrutiny Recommendations- Apprenticeships January 2011
Overview and Scrutiny

Progress on Scrutiny Recommendations – Apprenticeships

27th January 2011

Officer Contact: Jon Bloor Ext. 4188
                John Fraine Ext. 8700

Purpose of Report
The report provides an update in terms of progress following the Overview and Scrutiny Recommendations report published November 2009. The paper also briefly describes the changes in government policy.

Executive Summary

The O&S Skills, Education and Training select group published a report on apprenticeships which made 16 key recommendations in November 2009. This report provides a brief update in changes to this policy area and then gives details in terms of delivery of the 16 recommendations.

The report includes details of increased delivery of apprenticeships, which now include the provision of adult pathways, which has led to more than twice the number of places being created.

The report highlights some new options which might be considered to maintain the Council's position as an enabler in the apprenticeship arena.

Recommendations

- The policy area has changed significantly in the last 12 months. It is proposed that a meeting with members takes place to review the O&S recommendations in light of the policy changes takes place to help shape the future activity.
- The Council will shift into a "purchaser" of skills delivery and as such should consider its position to get the best value deal from schemes such as apprenticeships.
- The Council should retain its position as a Civic leader and as such should continue to influence take up of apprentices through use of its purchasing power and through marketing the scheme, e.g. 100 in 100 campaign.

Overview and Scrutiny 27th January 2011

Progress on Scrutiny Recommendations- Apprenticeships
1 Purpose of Report

1.1 The report provides an update in terms of progress following the Overview and Scrutiny Recommendations report published November 2009. The paper also briefly describes the changes in government policy.

2 Executive Summary

2.1 The O&S Skills, Education and Training select group published a report on apprenticeships which made 16 key recommendations in November 2009. This report provides a brief update in changes to this policy area and then gives details in terms of delivery of the 16 recommendations.

2.2 The report includes details of increased delivery of apprenticeships, which now include the provision of adult pathways, which has led to more than twice the number of places being created.

2.3 The report highlights some new options which might be considered to maintain the Councils position as an enabler in the apprenticeship arena.

3 Recommendations

3.1 The policy area has changed significantly in the last 12 months. It is proposed that a meeting with members takes place to review the O&S recommendations in light of the policy changes takes place to help shape the future activity.

3.2 The Council will shift into a “purchaser” of skills delivery and as such should consider its position to get the best value deal from schemes such as apprenticeships.

3.3 The Council should retain its position as a Civic leader and as such should continue to influence take up of apprentices through use of its purchasing power and through marketing the scheme, e.g. 100 in 100 campaign.

4 Background

4.1 The Overview and Scrutiny Education, Skills and Training Select group published their report into Apprenticeships in November 2009. The report was well received and formed an integral part of in developing the apprenticeship programme.

4.2 The report fed into two wider reports (i) the Local Employment Partnership Review and (ii) Oldham's Working Neighbourhoods Teams (see appendix one and two) which was to ensure that the apprenticeship activity was centrally located within the Councils policy thinking for skills and employment development and delivery. This portfolio of activity was further expanded to include the delivery of the national Future Job’s Fund scheme.

4.3 As a consequence of this activity it was recognised that there was a need to co-ordinate the activity in order to bring about a change in how the Council considers such programmes. It was agreed to use Priority Investment Fund monies to bring together the range and raft of initiatives under the Passport to Employment (P2E) scheme. The PIF
monies were used to fund a post to co-ordinate the activity and to work across the Council as a change manager. In addition, the remit of the HR officer supporting apprenticeships was strengthened and the post transferred to the Workforce and Organisational Development Service.

4.4 Following approval in January 2010 to recruit the P2E co-ordinator an officer was recruited in June 2010 to lead on this activity (There was a significant delay in the recruitment process due to the requirement to undergo 4 rounds of internal adverts to satisfy the redeployment policy). The P2E officer and HR officer have been involved in developing the apprenticeship scheme, developing and delivering pre-employment support for candidates and liaising with the National Apprenticeship Service. The officers are working up the employability brand materials which will promote the range of opportunities available to managers and provide support in identifying the right scheme for each service. This has also included involvement with the Future Jobs Fund scheme. (It should be noted that the experience of the Future Jobs Fund scheme has significantly shaped the emerging policy for skills and employment related activity).

4.5 Alongside the activity that has been undertaken it should be noted that there has been unprecedented changes in terms of skills policy due to the changes being introduced in the last 12 months by successive governments. The first significant change was the abolition of the Learning and Skills Council and the formation of the National Apprenticeship Service. This has changed how the Council interacts with training providers with regards the Apprenticeship scheme. There was a hiatus whilst the various agencies changed into the new areas of work. The positive element of which is that Oldham Council has been allocated a named client manager, who is helping the authority to meet the emerging government policy.

4.6 In November 2010, the Government published its Skills White Paper – “Investing in Skills for Sustainable Growth” which will reshape the entire skills agenda. In terms of the Apprenticeship pathway the key points are summarised below:

- Expanding the numbers of adult apprenticeships available so that, by 2014-15: there will be 75,000 more adult places provided per year than under the previous government's plans, resulting in a total of 200,000 adults who will be able to start an apprenticeship. £605 million will be invested in adult apprenticeships in the 2011-12 financial year.

- Fully funding training for young adults aged from 19 up to 24 undertaking their first full level 2 (GCSE equivalent) or first level 3 qualification when they do not already have one.

- Fully funding basic skills courses for individuals who left school without basic reading, writing and mathematics.

- Introducing Government-backed loans from 2013-14 for learners aged 24 and over undertaking level 3 or higher qualifications.

- Expecting Employers and Residents to pay more for training.

- Removing Train to Gain, but providing part-funded support for an SME focused programme to help small employers train low-skilled staff.
5 Current Position

5.1 The key consequence of the Governments White paper, and therefore changes in the skills landscape, is that there is an overall reduction in adult skills funding which will add budget pressures on the council and local businesses in terms of a reduction in subsidised delivery of training provision (including the removal of Train to Gain).

5.2 As a consequence, the changes in policy and funding have meant that certain recommendations by the Overview and Scrutiny Committee have been implemented whilst others are still to be completed or are no longer appropriate in the current policy climate. It is proposed that a meeting to review the recommendations in light of the policy changes takes place to help shape the future activity.

5.3 The following table (Table 1) provides an update against each of the 16 recommendations that were made by the Overview and Scrutiny Committee which it is hoped is useful, against the backdrop of unprecedented changes to the public sector, both in terms of strategy and finances. It is hoped that progress can be continued to be made in improving the opportunities provided, but the future of this type of activity is to be dependent upon the capacity of the organisation to manage these schemes, and this requires continued financial input, which to date has been provided through the Priority Investment Fund. This budget is at risk.

5.4 The Passport to Employment officer has been fundamental in supporting the delivery of the Apprenticeship Scheme as well as the other initiatives. This has led to a significant increase in the number of apprenticeships created (55 places for 2010/11) as well as supporting 500 young people to access Future Jobs Fund positions with the Council and partners.
Table 1- Review of Progress against the O&S Apprenticeship recommendations.

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The Overview and Scrutiny Education, Skills and Training Select Group requests that Cabinet approve the following recommendations, in respect of Apprenticeships: -</td>
<td>Since the O&amp;S Committee report there have been some significant changes to Government policy.</td>
</tr>
<tr>
<td>(1) The Chair of the Apprenticeships Task and Finish Group work with the Oldham Partnership in organising a workshop style conference, aimed at creating a ‘One Oldham’ approach to apprenticeship schemes and that:</td>
<td>A key change has been the demise of the Learning and Skills Council, and the subsequent creation of the National Apprenticeship Service, which following negotiations, has allocated a named account manager to help provide support to the Council’s ambition to increase the number of apprentices, which is a very positive outcome, and has helped shape an emerging policy to fit into the coalition governments changes to these types of schemes.</td>
</tr>
<tr>
<td>a) prior to the conference, Newcastle and Gateshead Councils be invited to share their apprenticeships policies and best practice with Oldham Council and its partners in order that they might be reflected at the conference;</td>
<td>There have been a number of personnel changes which meant that workloads had to be prioritised. As a consequence the One Oldham – One Apprentice conference has not yet taken place, but remains a priority. It was felt that the authority needed to develop a greater focus on certain elements to ensure that the correct infrastructure was in place.</td>
</tr>
<tr>
<td>b) key players be invited to attend the conference such as the Council, Primary Care Trust and Oldham College;</td>
<td>It was agreed, as a consequence of the O&amp;S report (recommendations 10,11 and 12) that a Managers Forum should be developed to encourage manager’s to consider how they use the wide range of employment and skills related policies to the best advantage for service delivery as well as supporting local residents into work/training.</td>
</tr>
<tr>
<td>c) relevant officers from the Economy, Place and Skills Directorate (Horticultural Services/Green Space Team) be invited to present and share best practices at the conference; and</td>
<td></td>
</tr>
<tr>
<td>d) 12 months from the conference, a review be undertaken to determine how the apprenticeship scheme has been developed by the Council and its partners.</td>
<td></td>
</tr>
</tbody>
</table>
2. That Oldham Council together with its public sector partners, most notably the PCT, leads the way in its approach and attitude to employing apprentices and to ensure that there is an increase in the number of apprentices each year.

With regards the PCT and partners it was felt that activity needed to prioritise the council’s implementation before involving the Primary Care Trust, mainly due to the proposed changes by the coalition government to PCTs plus the change in key personnel. It is hoped that following the improvements made internally that this recommendation will form a key pathway moving forward, maintaining the Councils role as a civic leader.

3. That the apprenticeship scheme be made available to ALL age groups in order to help individuals to re-skill which is important given the current economic climate.

The apprenticeship scheme is open to all ages which in its first year of operation has meant that 33 existing staff are benefiting from an Adult Apprenticeship (this is in addition to the 22 new recruited apprentices).

4. That when a public body in Oldham is procuring contracts, that the public body should seek to ensure, where such provision would be appropriate and is in accordance with National and European legislation that all contractors and subcontractors should provide apprenticeship opportunities as part of the contract.

Procurement policy has been modified to include the use of these clauses. This was seen as a key element to encourage the use of the Council’s purchasing power to best effect, which has led to securing 15 apprenticeship places through the Building Schools for the Future scheme.

5. That apprenticeships in a wide range of areas continue to be offered by the Council, including in Business Administration; Finance/Accountancy; Horticultural; Street Scene; Environmental Conservation; Recycling; Cemetery Operations; Early Years; Health and Social Care; Youth Work; Sports Development; Catering; Customer Services; Teaching Assistant and ICT

The Council has continued to develop new areas of interest for the apprenticeship scheme. The Future Jobs Fund and introduction of the Managers Forum has changed manager’s perceptions of schemes such as apprenticeships, and following the end of the FJF scheme it is hoped that more apprenticeships will be created.
<table>
<thead>
<tr>
<th>Item number</th>
<th>Recommendation</th>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.</td>
<td>The Council maintains its policy of employing people on its ‘quality’ apprenticeship scheme, which leads to permanent employment.</td>
<td>The government policy has shifted in terms of the delivery of apprenticeship schemes focusing on achievement of qualifications. Furthermore, the Government has stopped the Train to Gain scheme which means that the main pathway to develop skills of employees will be through the apprenticeship pathway. This means that more “permanent” employees will be involved. The effects of the comprehensive spending review are likely to mean that less “permanent” jobs will be created and to this end the authority is likely to focus on supporting progression pathways rather than promising permanent employment post-completion of an apprenticeship.</td>
</tr>
<tr>
<td>7.</td>
<td>The Council ensures that the scheme for apprentices which proposes a 1 year fixed term contract, allows for flexibility for a contract period, where needed, in order to give the apprentice a realistic chance of completing their apprenticeship.</td>
<td>This flexibility has been implemented where required to ensure completion of the key skills and NVQ elements of the apprenticeship.</td>
</tr>
<tr>
<td>8.</td>
<td>The Council’s apprenticeship schemes must be flexible in the level of apprenticeship available, i.e. the apprentice being able to achieve level 2 and 3 and beyond.</td>
<td>The Apprenticeship scheme has been modified by the coalition government which means this will no longer be funded and as such will depend on how the authority utilises organisation/departmental training budgets.</td>
</tr>
<tr>
<td>9.</td>
<td>The Council should be encouraged to further ‘grow its own’ staff by learning from directorates where the apprenticeship scheme has been a positive experience for both management and the employee, for example, the Horticultural Services/ Green Space Team.</td>
<td>This recommendation was the key principal behind the creation of the Managers Forum, which provides a platform for managers that have successfully run such schemes can share their knowledge, understanding and indeed passion to encourage others to get involved.</td>
</tr>
<tr>
<td>10.</td>
<td>The Council develop a procedure for managing the apprenticeship programme.</td>
<td>This recommendation has been delivered in part by the creation of the passport to employment post within the Economy and Skills team. However, this role is funded until March 2011 and is subject to funding cuts. An exit strategy is required, with further elements of the activity to be potentially located within Workforce and Organisational Development service.</td>
</tr>
<tr>
<td>11.</td>
<td>The Council should ensure that all managers attend a ‘how to manage an apprentice’ session as part of their induction.</td>
<td>This recommendation has been included within the scope of the Passport to Employment programme to include the wider family of opportunities, and will also feature as part of an emerging internal</td>
</tr>
<tr>
<td>Item number: 00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| 12. a) Managers should be encouraged to do specialist training to enable them to work effectively with apprentices and to potentially become work based assessors for apprentices.  

b) A monitoring system be put in place to ensure the apprentice is managed effectively. |
| marketing campaign  

Further work is required to deliver on this recommendation. The evaluation of the future jobs fund scheme will provide valuable feedback in terms of the “experience” of the candidates relating to managers. |

| 13. To encourage Managers within the Council to recruit apprentices, using their own budgets to pay the salaries and on-costs. |
| This recommendation is seen as vital in securing an effective long term solution but is currently an aspiration whilst the impact of the CSR is fully understood. |

| 14. That the Oldham College review its process and procedures for identifying work placements for those that they are being asked to deliver learning to, to ensure that all suitable students at the end of their first year are able to secure a relevant work placement |
| Oldham College addressing this issue |

| 15. To strongly encourage, that where it is not possible to find a work placement for a suitable student the College should develop higher level courses for that student to progress within the College setting. |
| Oldham College addressing this issue |

| 16. Where it is deemed not appropriate by managers for individuals, with the capabilities to complete an apprenticeship, to take a common assessment, managers be allowed to exercise their discretion to offer an apprenticeship, by way of reasonable adjustments, to such individuals. |
| The Apprenticeship is a technical pathway which requires a minimum level of educational achievement and aptitude. This means that this pathway is not appropriate for some individuals. Where the assessment is an issue in its own right, then the council has provided additional support. For example, sessions providing information about the scheme and support completing applications have been developed and run for the first time this year, which was to ensure that disadvantaged groups, e.g. looked after children, had a better understanding of the process and received one to one support. |

6 **Options/Outstanding issues**

6.1 The report aims to provide an update with regards the initial Overview and Scrutiny recommendations, but this needs to be reviewed in context of the changes being implemented by the coalition government. The removal of subsidised funding in the form of Train to Gain has had a major impact, with the preferred pathway being the Apprenticeship model. This initially appears to be favourable in supporting the O&S recommendations; however, the Council will be expected to finance the training provision as well as the salary costs, which ultimately could affect the number of opportunities offered.
6.2 As an organisation, therefore, the focus needs to shift from that of a recipient to that as a purchaser. The Council will need to look to secure the best deals with training providers, with the aim to negotiate quality, yet correctly priced, training packages. We have already secured a deal for 25 places with the Oldham Apprenticeship Alliance to deliver free, pre-employment, in-work support and NVQ level 2 for staff recruited to the 2011 council apprenticeship scheme. We will need to secure future deals with due consideration of the volume, target group and skill needs within the council and within local industry. This could be done by requesting expressions of interest from training providers to generate best value for money. There is a good infrastructure for apprenticeships in Oldham, with strong local provider network via the Oldham Apprenticeship Alliance and, for this reason, it is recommended that bi-lateral dialogue with The Oldham College and the wider alliance should carry on in parallel with discussions at a Greater Manchester level.

6.3 The Council needs to also consider its role a civic leader and how it uses its position to promote skills acquisition. The first O&S recommendation was to host a conference to promote the apprenticeship programme, whilst this has yet to take place; it is proposed that an alternative option would be to get an agreement to run a campaign to create 100 apprentice places in 100 days. The proposal is being presented as an opportunity to work in partnership with local media, the National Apprenticeship Service and local providers to stimulate interest in the small and medium enterprise sector, which is best placed to access Government funding (see appendix four for further details).

6.4 The Government is in the process of rolling out the Single Work Programme which will manage all worklessness schemes. A key function of which will be seeking to work with the public and private sector to employ long term unemployed residents. The Council should be looking at how it can better use its position as a major employer to get support from the Single Work Programme scheme. This could include the creation of bespoke pre-employment activity, from which we could link the apprenticeship scheme as a sustainable, employment outcome, which will be attractive to the Prime Contractors.
7. **Conclusion**

7.1 The skills and employment policy area has undergone significant change in the last 12 months, which has affected and will continue to affect how schemes such as the apprenticeships operate. The majority of the Overview and Scrutiny recommendations remain relevant and have been implemented. However, this has required additional resources to deliver the improved outcomes. The withdrawal of Priority Investment Fund monies will have an impact which needs to be reviewed in order to assess the impact this may or may not have on further delivery of O&S committee recommendations.

8.0 **Appendices**

8.1 Appendix One – Local Employment Partnership Review

8.2 Appendix Two – Working Neighbourhoods Teams

8.3 Appendix Three – Apprenticeship volumes and location 2010/11

8.4 Appendix Four – 100 in 100 campaign.