



## AGENDA ITEM: 8

### SUMMARY

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|-------------------------|--------------------------|
| <b>Report for:</b>      | <b>Cabinet</b>           |
| <b>Date of meeting:</b> | <b>17 September 2013</b> |
| <b>PART:</b>            | <b>1</b>                 |
| If Part II, reason:     |                          |

|                                |  |
|--------------------------------|--|
| <b>Title of report:</b>        | <b>Apprenticeship Scheme 2013</b>  |
| Contact:                       | Councillor Neil Harden, Portfolio Holder for Residents and Regulatory Services<br><br>Author/Responsible Officer:<br><br>Matthew Rawdon (Group Manager - People)<br>Lisa Devayya – Learning & Skills Officer (SPAR)  |
| Purpose of report:             | To recommend to the Cabinet the establishment of an Apprenticeships Scheme Framework at the Council to support and enable the employment of local young people and contribute to the economic regeneration of Dacorum.   |
| Recommendations                | <ol style="list-style-type: none"> <li>1. That Cabinet approve the establishment of an Apprenticeships Scheme for 2013; and,</li> <li>2. <b>That Cabinet recommend to Council the release of £126,728 from the Management of Change reserve in order to deliver the scheme.</b></li> </ol> |
| Corporate objectives:          | <b>Regeneration and Economy</b><br>Working with those offering skills, training and apprenticeships needed for local jobs.   |
| Implications:                  | <u>Financial</u><br>The cost of establishing this scheme for 2013 is £126,728 which will create four apprenticeship opportunities at Dacorum, along with an incentive grant for local employers to hire apprentices (up to 40)..   |
| 'Value For Money Implications' | <u>Value for Money</u><br>By making these opportunities available with partner organisations, we will be supporting the delivery of economic well-being in the local community. The appointment of   |

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|   | apprentice posts also supports the delivery of the Council's Workforce Plan.  |
| Risk Implications   | <p>If the Council decided not implement this programme the following risks have been identified:</p> <ul style="list-style-type: none"> <li>• Falling further behind the Government's apprentice targets of 1 to 5, currently DBC is 1 in 16.</li> <li>• Reduces employment opportunities for young people in the local community.</li> <li>• Not supporting the delivery of economic well being in the local community.</li> </ul> |
| Equalities Implications   | Equality Impact Assessment was carried out in August 2013 and is published on the Council's website. The scheme will have a positive impact upon the quality of life of younger people and the subsequent life chances of local people taken on by the scheme. Monitoring of any impact will be undertaken through HR and also through the scheme's management processes.   |
| Health And Safety Implications  | All posts would be supported by the Council's Health and Safety policies.   |
| Monitoring Officer/S.151 Officer Comments                             | <p><b>Deputy Monitoring Officer:</b></p> <p>The Deputy Monitoring Officer has no comments to add to the report.</p> <p><b>Deputy S.151 Officer</b></p> <p>Previous apprenticeship schemes have been funded from the Management of Change Reserve. This reserve currently has an uncommitted balance of £437k and could therefore be used to fund this scheme should it receive Member approval.</p>                                 |
| Consultees:   | <p>Cllr Neil Harden</p> <p>Assistant Directors and Group Managers</p> <p>Local Businesses</p>   |
| Background papers:  | Annex A details feedback from the current apprentices   |
| Glossary of acronyms and any other abbreviations used in this report: | <p>HR – Human Resources</p> <p>NEETS – those Not in Education, Employment or Training</p> <p>NGDP – National Graduate Development Programme</p> <p>NAS – National Apprenticeship Service</p> <p>EMF – Establishment Management Form</p> <p>CMT – Corporate Management Team</p>  |

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|--|--|
|  | LDD - Learning Difficulties & Disabilities |
|--|--|

## **Introduction**

In May 2012, Cabinet agreed to support and fund an Apprenticeships Scheme Framework at the Council, to support and enable the employment of local young people and contribute to the economic regeneration of Dacorum. The Scheme was implemented and 10 young people were recruited to the scheme. In addition, funding was also agreed for 2 graduates from the National Graduate Development Programme (NGDP) to join the Council for a 2 year period from October 2012. It is proposed to continue supporting an Apprenticeships Scheme in 2013, although in a different format, as below.

### **1. Current DBC Apprenticeship Scheme**

The 2012/13 apprenticeship scheme has proved very successful, 80% of managers responding to a survey rated the overall experience of the Apprenticeship Scheme as either good or excellent and 80% concurred that having an Apprentice boosted productivity. If the Council ran the scheme again 90% would be keen to take part.

*Annex A details feedback from the Apprentices.*

### **2. Apprenticeship Scheme Proposal for 2013/14**

#### **2.1 Employer Wage Incentive**

The Council would invite local employers to apply for a grant to create a new Apprenticeship opportunity for a young person aged 16 – 24. The Council would offer an increased amount to employers who employ a young person from a vulnerable group.

The grant could be applied for by employers in addition to the National Apprenticeship Service (NAS) wage incentive which currently stands at £1,500. Employers would only need to complete one application form.

|   | <b>DBC Grant</b> | <b>NAS Grant</b> | <b>AGE</b> | <b>Total</b> |
|---|------------------|------------------|------------|--------------|
| Strand 1 – New Apprenticeship                             | £1,200           | £1,500           |            | £2,700       |
| Strand 2 – New Apprenticeship for vulnerable young person | £2,700           | £1,500           |            | £4,200       |

#### **2.2 Vulnerable young person criteria:**

- Young people who have been NEET for 3 months
- Young people with Learning Difficulties & Disabilities (LDD)
- Young parents aged 16 - 19
- Child Looked After (or those who have left care aged 16 - 19)

### 2.3 Target 2013/14

- Strand 1 – 38 employer grants @ £1,200 = £45,600
- Strand 2 – 2 employer grants @ £2,700 = £5,400  
*Although the distribution can be varied dependant on demand*

### 2.4 Total Cost of this Project = £51,000

### 2.5 Employer Eligibility

Employers would need to:

- Create a new Apprenticeship (no apprentice in previous 12 months)
- Employ less than 1000 employees
- Meet national guidelines (minimum of 30 hours a week, employ for a minimum period of 12 months)
- Pay the apprentice a minimum wage of £2.65 per hour.

The Government has set a target of 1 in 5 young people in an Apprenticeship by 2020, the figure in Dacorum currently stands at around 1 in 16 so there is quite a way to go, some areas in the North are already achieving this.

## 3. DBC Apprentices

The proposal is for the Council itself to employ 4 level 2 Business Admin Apprentices in 2013/14 for 13 months. To be able to apply, applicants must be unemployed and aged between 16 – 24.

### 3.1 Cost

|                        |                |              |                |
|------------------------|----------------|--------------|----------------|
| Salary per person      | £13,698        | Salary x 4   | £54,792        |
| Outer London Weighting | £865           | OLW x 4      | £3,460         |
| On costs at 30%        | £4,369         | On costs     | £17,476        |
| <b>Total</b>           | <b>£18,932</b> | <b>Total</b> | <b>£75,728</b> |

### 3.2 Additional apprenticeships at Dacorum

To encourage more take up of apprenticeships, HR will continue to work with managers to encourage new apprenticeships through the EMF process. The Housing service has two new housing apprentices budgeted for in 2013/14; their roles are currently being developed and recruitment will begin in the next couple of months.

## 4. Recommendation

It is recommended that CMT agree to support the proposal for the 2013/14 Apprenticeships Scheme. The total cost for the scheme would be **£126,728**.