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Apprenticeship Levy: "Upskill Shropshire"

Summary

This report provides an update on Shropshire Council's use of apprenticeship levy funds since its introduction in April 2017 to 30th June 2018.

Recommendations

1. To note the contents of this report.

REPORT

1. Background

The Apprenticeship Levy came into effect on 6 April 2017 as part of wider reforms of apprenticeships and was designed to increase numbers of apprentices in employment (public sector workforce) by 2020 to 2.3%.

All staff are eligible to apply for an apprenticeship subject to working more than 16 hours per week, with applications being authorised at DMTs/Schools Panel before going through a mini-competition stage with providers on the Council's Upskill Shropshire Provider Framework.

The Upskill Shropshire Board, chaired by the Director of Children's Services, consider all quotes at mini-competition stage and ratify decisions on the preferred provider at the monthly meetings.

2. Performance

Apprenticeship Applications/Starts

Service Area	Apprenticeship Applications	Started
Adult Services	12	1
Children's Services	18	0
Place & Enterprise	23	9
Public Health	3	1
Finance, Governance & Assurance	8	2
Workforce & Transformation	5	3
Legal & Democratic	14	3
Unallocated (Bulk Buy)	0	0
TOTAL	83	19

Schools	Apprenticeship Applications	Started
Primary Schools	43	18
Secondary Schools	3	1
TOTAL	46	19

Apprenticeship Levy Funds & Spend

	Total £	Corporate £	Schools £
Levy Monies committed at DMT / Agreed by directors or Schools Panel	808,000	723,000	85,000
Levy Monies committed to date (Apprentices on DAS)	129,500	104,000	25,500
Levy Monies Spent in total	18,817	11,107	7,710
Levy Monies forecast available (2 years up to March 2019)	1,181,007	704,360	476,647
Additional Costs incurred	0	0	0

As can be seen, there has been a relatively high level of interest from staff in applications for apprenticeships. However, the numbers that have converted to an apprenticeship, and therefore funds being drawn down from our digital account, are low. This is due to a number of factors:

- Apprenticeships have not yet started (due to later start dates being agreed or working through requirements with the Provider to get started)
- Apprenticeships requested are not yet approved for delivery.
- The Apprenticeship Framework originally applied for is no longer available and not replaced with a Standard
- We have been unable to secure a provider, either on Shropshire’s Provider Framework, or the National Register (mainly due to the low numbers required).
- Providers are not approving cohorts on the digital system and therefore are not yet drawing down funds for the learners they are working with.

Providers on the Upskill Shropshire Provider Framework

Out of the 15 providers on Shropshire Council’s Framework the following are currently providing apprenticeships:

- County Training (part of Hereford & Ludlow College)
- Lifetime
- PeoplePlus
- Phoenix
- Shrewsbury Colleges Group

A provider from the National Register has also been engaged to provide an apprenticeship where our framework was unable to service the requirement.

Types of Apprenticeships

The types of apprenticeships applied for fall into the following categories:

- Administration
- Coaching, Leadership, Management & Projects
- Construction, Planning & the Built Environment
- Customer Services
- Finance
- Health & Equality
- HR
- IT, Media, Communications & Marketing
- Public & Emergency Services
- Teaching & Learning
- Youth, Children & Early Years

A ‘bulk buy’ procurement exercise has recently been undertaken for the following types of apprenticeships in order to meet strategic objectives, in particular linked to the transformation priorities, and to maximise the levy funds within the first two years:

- Leadership & Management (Levels 5, 6, 7)
- Data Analyst
- Project Planning
- Team Leader

Looked After Children/Leaving Care Apprenticeships

6 LAC/Care Leavers have recently been appointed to apprenticeships across the council and will start their apprenticeships in the coming months.

Transfer of Levy Funds

From April 2018, levy-paying employers can transfer up to a maximum of 10% of their unused funds to another employer. Transfers can be made to any employer, including smaller employers in their supply chain, and apprenticeship training agencies. The ‘receiving employer’ can be one who is non-levy paying or a levy-paying employer who has used up all of their own levy funds. Initially the transfer could only be made to one employer, but this restriction was lifted from July to transfer to any number of employers.

At its meeting in May 2018, the Upskill Shropshire Board took the decision to wait until there was a clearer picture on the forecast for spending of council funds before committing to transfer any funds and will review again in September 2018.