

By: Eric Hotson – Cabinet Member for Corporate & Democratic Services
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To: Personnel Committee **Date:** 12 October 2017

Subject: **Apprenticeship Levy Update**

Classification: Unrestricted

1. Background

1.1 In October 2016 Personnel Committee considered and endorsed a report which outlined the KCC approach to implementing the Apprenticeship levy.

1.2 In October 2016 Corporate Board were updated on some of the work in place to support the apprenticeship changes and the proposed new 'Apprenticeships for all' pathway designed to meet KCC's strategic ambition for young people.

2. Context

2.1 The purpose of the apprenticeship levy is to fund an increase in the number of quality apprenticeships to meet the Government target of £3million apprenticeship starts by 2020. It was asserted that the introduction of the levy would give more control to employers through direct access to training funds and the ability to participate in trailblazer groups to create new Apprenticeship standards appropriate to organisational needs.

2.2 Since April 2017 KCC has been paying a 0.5% levy on its pay bill each month; these funds have been credited to KCC's digital account and from May 2017 have been available to spend on apprenticeship training.

2.3 KCC's ambition is to be an employer of choice, attracting and retaining a workforce with skills, knowledge and behaviours for the future. Developing career pathways and opportunities which meet the aspirations and expectations of individual employees and directly supporting the needs of the business.

3 Levy update

3.1 Since the last Personnel Committee report Government have raised the time limit on spending the funding in the digital account from 18 months to 24 months.

3.2 The Digital account which also includes KCC schools and connected partners has been successfully established and the relevant authorisations have been set up to ensure that operation of the digital account is effectively controlled

3.3 The government has invited Training providers to apply to be part of its Register of Approved training providers (ROATP) and details of these are available via the digital account.

4 Targets / Funding

4.1 The target for public sector apprenticeships is 2.3% of total headcount. In the last Personnel Committee paper the KCC figures were estimated to be 243 (which included connected parties – Commercial services, Gen2 & Kent Legal Services) and the target for schools was estimated to be 464 making a total of 707. Since this time the figures have been recalculated to include only Community & Voluntary Controlled (KCC Schools) and to reflect current headcount figures resulting in revised figures of 230 for KCC and 293 for KCC schools making a new target 523.

4.2 Staff have been able to apply for Apprenticeship training since 1st April via a newly designed Development request process

4.3 Apprenticeship Data to September 2017 with indications of pipeline starts for October 2017 can be found in Appendix 1.

4.4 The current forecast of the total funding under the apprenticeship levy in 2017/18 which will be paid into the digital account is £2.2m. This equates to a monthly payment into the account of £190k from KCC and its connected parties (GEN2, Invicta Law and community and voluntary controlled schools).

It should be noted the forecast is likely to reduce as School's become academies and no longer pay into KCC's digital account and headcount figures reduce.

4.5 Current monthly spend relating to Apprenticeship training numbers in Appendix 1 is as follows:-

KCC

- 74 starts since April to September 2017 - £9,500 per month
- 42 pipeline starts commencing October 2017 - £18,000 per month

Schools

- 28 starts since April 2017 - £3,900 per month

Total current financial commitment per month £31,400

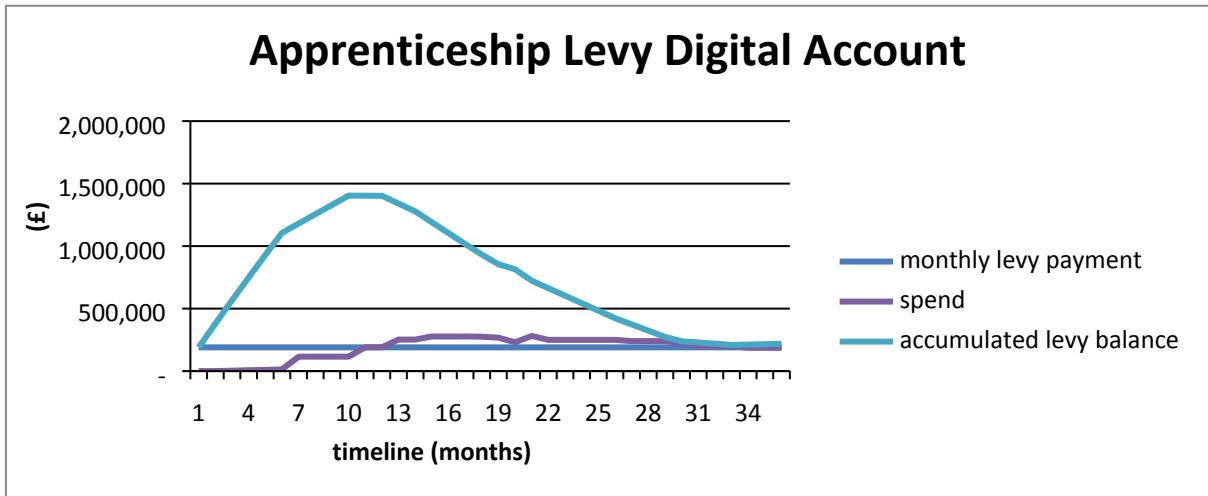
4.6 In terms of the agreed strategic priorities to be funded from the Apprenticeship Levy for 2017/2018 the following represents the progress to date with projected spend to come through on the current unallocated places

Apprenticeship development	Number of funded places allocated	Current numbers	Available places	Additional forecast monthly spend
Adult care worker - level 2	10	8	2	£333
Lead adult care worker - level 3	40	21	19	£2,375
Leader in Adult care Level 5	20	14	6	£667
CMI level 5 - Business graduates	7	7	0	£0
Business Administration - level 2 F/W	17	8	9	£1,000
Business Administration - level 3 F/W	20	10	10	£1,389
Business Administration - level 4 F/W	4	0	4	£667
Customer Service level 2	5	2	3	£1,000
Operational delivery officer - level 3	10	4	6	£1,000
Totals	151	74	59	£8431

Funds are available in the digital account for a period of 24 months and current guidance from central government suggests any funds unspent after this period of time will be removed from the account.

As the figures above show KCC is contributing more into the digital account than it is spending currently. The strategy is to assess KCC's needs alongside the existing standards and as new standards go live. As the new apprenticeship scheme grows and more standards become available the built up surplus will be used to invest in key areas of development. Currently plans are in place to target degree higher level standards such as in Social work degrees.

4.7 The graph below shows a timeline projection of the digital account as the apprenticeship scheme grows and then finds its natural balance between funding and spending.



5 Wider Kent Engagement

5.1 Middleton Murray were engaged to help support 'Made in Kent' phase 1 which generated a large increase in numbers using the website to nearly 6000, and an increase in the number of people registering to over 400.

5.2 The 2017 stand at the County show was themed 'Be an Apprentice - Made in Kent'. During the three days 53 people registered on the Apprenticeskent website, with another 30 registering in the following days. Additionally, 15 employers offered Apprenticeship vacancies.

5.3 Presentations have been delivered in 172 schools, apprenticeship advice offered to 42 schools and 31 apprenticeship roles have been identified.

5.4 Work has continued with Kent Guilds to identify skills needed by employers. So far this year 111 employers have engaged with the guilds and to date 40 new apprenticeship opportunities and 85 work placements have been offered. The guilds continue to work with the Kent and Medway Skills commission on the skills agenda.

5.5 KCC is working closely with all training providers and Colleges through different partnerships. The apprenticeship partnership group which works with Kent Association of Training Organisations (KATO) and Kent FE Colleges continues to meet and together they develop the apprenticeship offer across the county, sharing activities, information and supporting employers in the recruitment of apprentices. All our guilds have apprenticeship providers as part of its membership to support employers in developing their workforce.

6 KCC Progress

6.1 Preparing KCC

- Awareness of the introduction of the Apprenticeship levy has been raised across the organisation through the delivery of 45 presentations to Committees, boards, groups, management teams, Organisation Development groups & team meetings.
- Managers have received training on the introduction of the levy as well as recruiting apprentices via webinars.
- All KNet pages, policies and processes have been reviewed and updated to include reference to & guidance on Apprenticeships.
- Value Based Interview questions have been designed and are accessible to managers via KNet pages when recruiting new apprentices.

6.2 Systems

Existing systems functionality has been reviewed and changes have been commissioned and delivered to support the introduction of the Levy. Additional fields have been incorporated into Oracle to ensure that we have the capability to capture data required for reporting purposes.

Changes have been made to the Taleo recruitment system to ensure that we are able to track vacancy numbers and successful and unsuccessful candidates

Payroll system actions have been delivered to ensure that all payroll providers who deliver payroll services on behalf of KCC declare the levy and funds are placed into KCC's digital account.

6.3 Training

Training providers have been commissioned to deliver core Apprenticeship training (social care, Business admin & Customer care), as additional requirements emerge from the Development request process providers are being robustly procured.

Professional development and qualification requests are being reviewed to identify where Apprenticeship training opportunities can be accessed to maximise the levy.

6.4 Procurement

Corporate board in October 2016 agreed that from February 2017 all procurement specifications for contracts in excess of £1m value would include KCC expectations on Apprenticeships. Head of Procurement has amended processes and raised awareness with both managers and procurement staff.

6.5 Utilising the Levy

Accessing Apprenticeship levy funding will enable KCC to offer a diverse range of specialist qualification training which will be good for retention, motivation and career progression of staff.

Examples of this are:

- Civil Engineering qualifications in Highways
- Laboratory Scientist in Kent Scientific Services
- HR qualifications in EODD, BSC
- Leadership & Management qualifications for our graduate intake
- Procurement
- Social care qualifications
- Marketing
- Digital technology
- Finance & Accountancy
- Early years Education
- Surveying in Highways

7 Forward plans to Maximising the Levy

7.1 KCC is involved in Trailblazer activity in respect of the following Apprenticeship standards;

- Occupational Therapy degree
- Social work degree
- Teaching degree
- Procurement level 5 & degree
- Health Intelligence professional (Public health) – masters

7.2 KCC representatives will be offering support to employers on understanding the Apprenticeship levy at the 'Meet the buyer' element of the construction expo event at Detling showground in October.

7.3 Events to celebrate the success of Apprentices in Schools and KCC are planned late 2017 / early 2018.

7.4 Made in Kent' Phase 2 will be launched in October; this will offer interviews to 16 – 24 year olds for potential apprenticeship roles. A taster day has been held in Maidstone - All employers found the event useful and 17 young people attended who were given clear instructions on the opportunities available and further interviews for selected roles. Further discussion is planned with KATO and FE Colleges to agree roles and responsibilities for the next events during October.

7.5 The Kent Choices local event will be held in November and will offer information and interviews to those attending. Last year the event attracted over

90 schools, 2,687 young people and 250 exhibitors. This year links will be made to 'Made in Kent' phase 2.

7.6 Explore opportunities for KCC to;

- 'Grow its own Graduates' and review existing Graduate programmes to incorporate Apprenticeship standards
- Explore opportunities to work with Partner organisations to develop joint career pathway opportunities
- Identification of additional trailblazer involvement to meet skills shortages, succession planning gaps and deliver strategic and directorate priorities.

8. Recommendation

8.1 Personnel Committee are invited to consider and note the contents of this report and endorse the proposed activity to maximise the Apprenticeship levy.

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Background Documents: None

Appendix 1

Corporate Core Data

KCC's Position Against Apprenticeship Levy Target



Total no of KCC levy apprenticeships

74

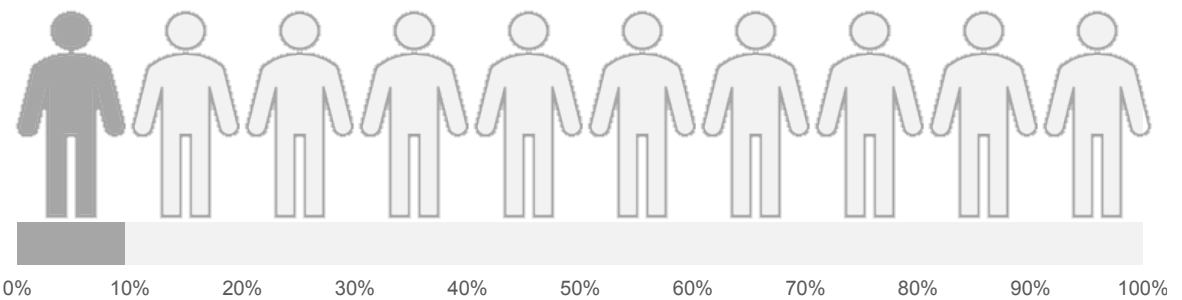
KCC Target

230

% of KCC target complete

32%

School's Position Against Apprenticeship Levy Target



Total no. of Schools levy apprenticeships

28

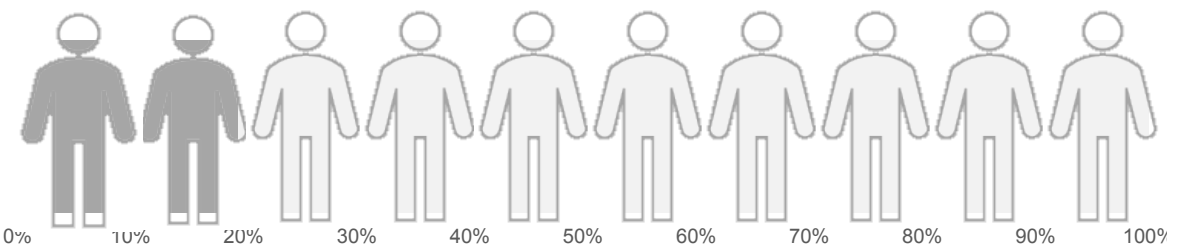
Schools Target

293

% of Schools target complete

10%

Overall Position Against Apprenticeship Levy Target



Total no. of current levy apprenticeships

102

Overall Target

523

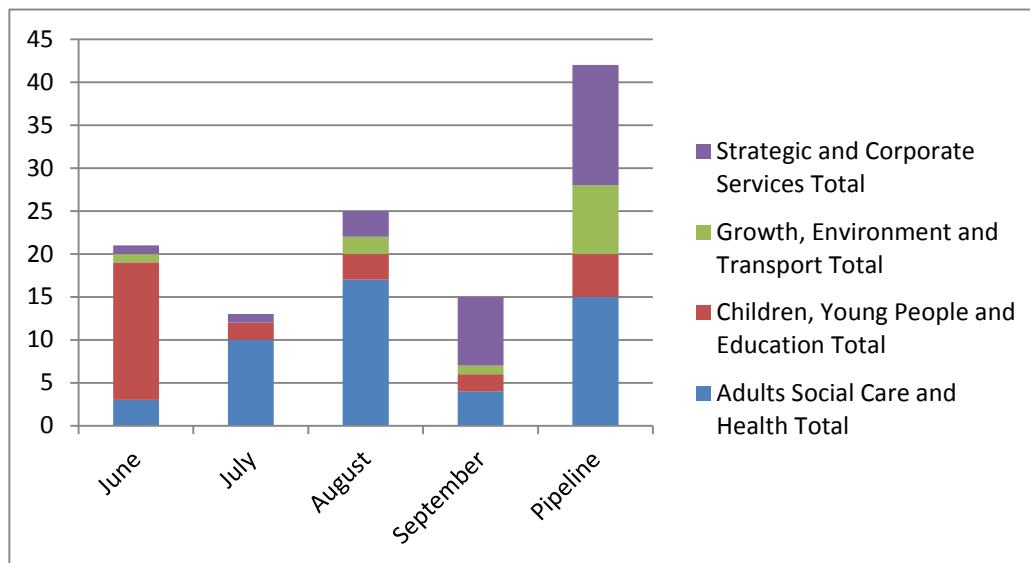
% of Overall target complete

20%

New Apprenticeship training starts by Directorate / Division

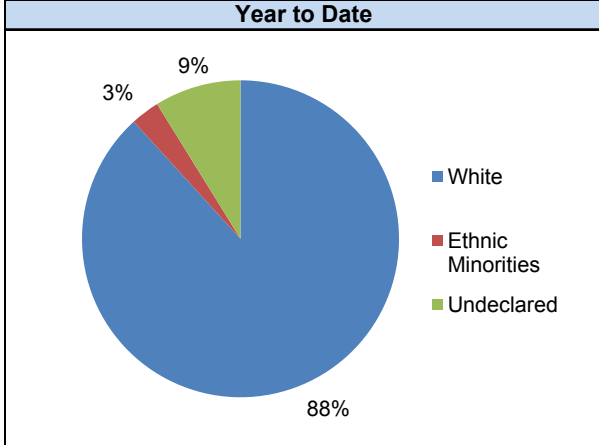
Division/Direcorate	June	July	August	September	Pipeline	YTD (excluding Pipleine)
AH - Dis Children Adult Learning Dis Mental Health	3	7	14	0	2	24
AH - Older People and Physical Disability	0	3	3	4	13	10
AH - Corporate Director's Office	0	0	0	0	0	0
AH - Public Health	0	0	0	0	0	0
Adults Social Care and Health Total	3	10	17	4	15	34
CY - Early Help and Preventative Services	14	2	1	1	2	18
CY - Education Quality and Standards	1	0	1	0	3	2
CY - Specialist Children's Services	1	0	1	1	0	3
CY - Education Planning and Access	0	0	0	0	0	0
CY - Corporate Director's Office	0	0	0	0	0	0
Children, Young People and Education Total	16	2	3	2	5	23
GT - Economic Development	0	0	0	0	0	0
GT - Environment, Planning and Enforcement	1	0	2	1	0	4
GT - Highways, Transportation and Waste	0	0	0	0	6	0
GT - Corporate Director's Office	0	0	0	0	0	0
GT - Libraries, Registration and Archives	0	0	0	0	2	0
Growth, Environment and Transport Total	1	0	2	1	8	4
ST - Engagement, Organisation Design and Dev'ment	0	0	1	1	0	2
ST - Finance	0	0	0	0	1	0
ST - Infrastructure	1	1	1	7	5	10
ST - Strategic Commissioning	0	0	1	0	8	1
ST - Strat Policy Relationships and Corp Assurance	0	0	0	0	0	0
ST - Governance and Law	0	0	0	0	0	0
ST- Corporate Director's Office	0	0	0	0	0	0
Strategic and Corporate Services Total	1	1	3	8	14	13
Grand Total	21	13	25	15	42	74

Year to Date

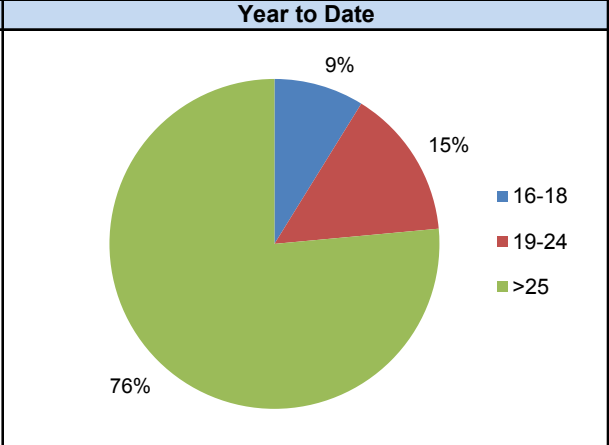


Equalities Information

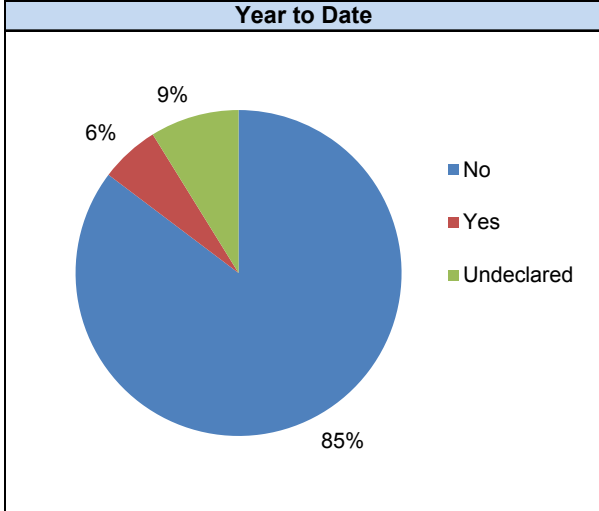
Protected Characteristics - Ethnicity



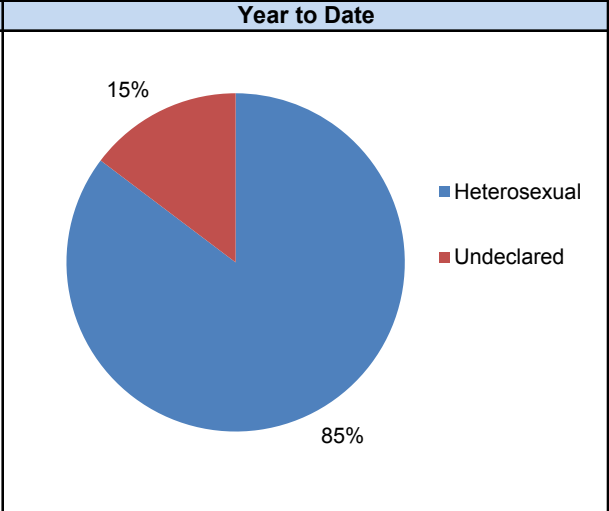
Protected Characteristics - Age



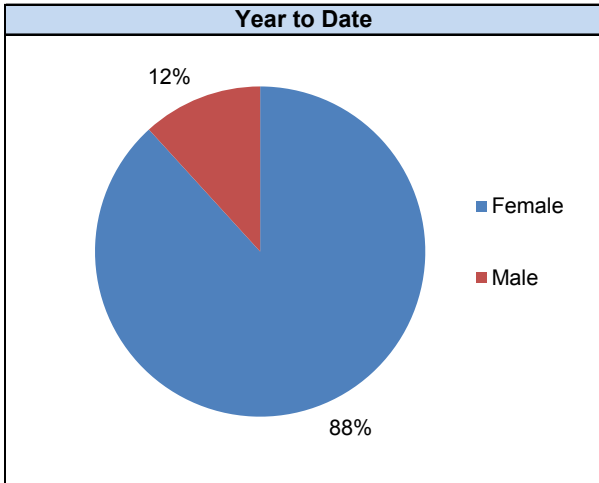
Protected Characteristics - Disability



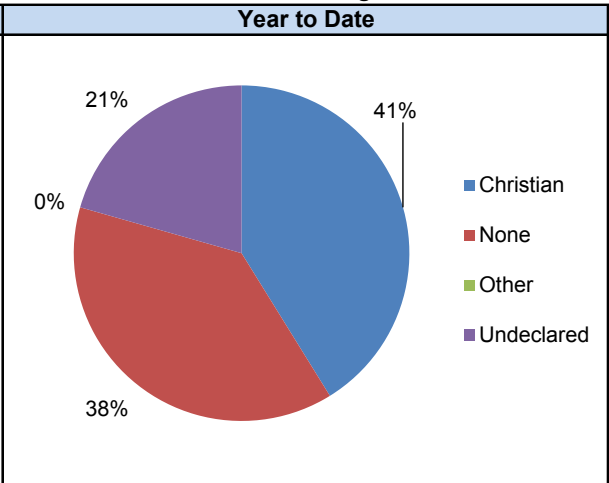
Protected Characteristics - Sexual Orientation



Protected Characteristics - Gender



Protected Characteristics - Religious Belief



New Apprenticeship training starts for KCC Schools

No. of Apprenticeship Starters	June	July	August	September	Grand Total
	8	11	0	9	28

