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To: Personnel Committee

Date: 23 January 2018

Subject: Apprenticeship Levy - Update

Classification: Unrestricted

Summary: This paper updates Personnel Committee on the current position in KCC and schools on take up of the apprenticeship levy. The paper is also intended to provide the context for the significant discussion with a range of speakers engaged in the apprenticeship agenda in Kent that will take place during the first hour and forty-five minutes of the Committee meeting.

1. Background

- 1.1** In October 2017, Personnel Committee were updated on work that had been undertaken to prepare for the implementation of the Apprenticeship levy in KCC.
- 1.2** Additionally, Personnel Committee were updated on progress towards the Public sector target and the funds available in KCC's digital account.

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 3 million 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.

3. Targets / Funding

- 3.1** The target for public sector apprenticeships is 2.3% of total headcount. In terms of the KCC target this equates to 230 for Corporate KCC (which includes connected parties – Commercial Services, Gen2 & Kent Legal Services) with the target for schools being 293 making a total of 523.

Progression vs plan

In October 2016 a paper to Corporate Board asserted that the spend on Apprenticeship training via the Apprenticeship levy would initially be weighted towards supporting existing staff and over time the balance would move towards offering Apprenticeship training to staff new to KCC. This shift can be seen in the table below however the figures have been adjusted proportionately to represent the current Public sector targets referred to in 3.1.

KCC targets

Date	Target	New staff Apprenticeship training Target	New staff Apprenticeship Training actuals (Nov'17)	Existing Staff training target	Existing Staff training target actuals (Nov '17)
2017/18	230	85	42	145	88
2018/19	230	115		115	
2019/20	230	165		65	

Schools Targets

Date	Target	New staff Apprenticeship training target	New staff Apprenticeship training actuals (Nov '17)	Existing Staff training target	Existing staff training target actuals (Nov 17)
2017/18	293	80	34	213	30
2018/19	293	147		146	
2019/20	293	107		186	

3.2 Apprenticeship training data to November 2017, with pipeline starts for December 2017, can be found in Appendix 1.

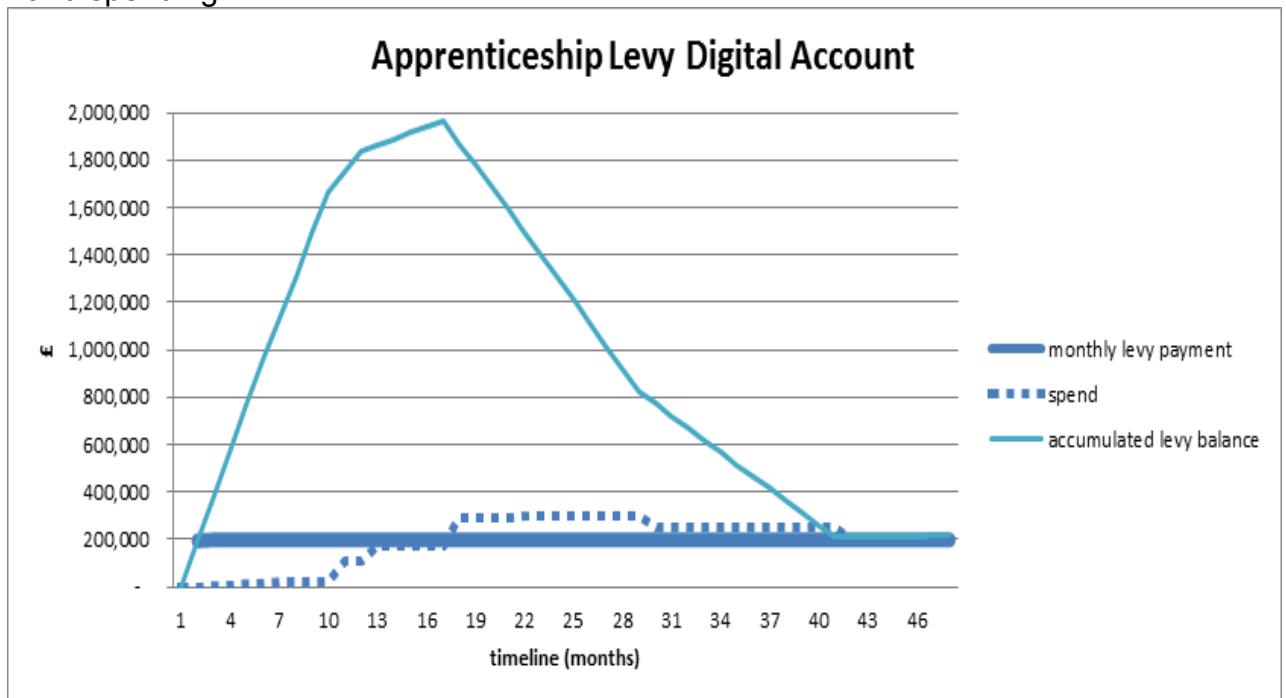
3.3 The current forecast of the total funding under the apprenticeship levy in 2017/18 which will be paid into the digital account is £2.2m. This equates to a monthly payment into the account of £190k from KCC and its connected parties (GEN2, Invicta Law and community and voluntary controlled schools).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

1. Schools become academies and no longer pay into KCC's digital account,
2. KCC's head count reduces due to savings across the authority taking effect.

Additionally, the delay in the availability of new standards or existing frameworks has impacted on the rate of spend from the levy pot. However, the continued introduction of new standards, including the Teacher standard which is now

available will offer an opportunity to schools to 'Grow their own' and increase the rate of spend to enable the pot to be fully utilised.

- 3.4** 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.

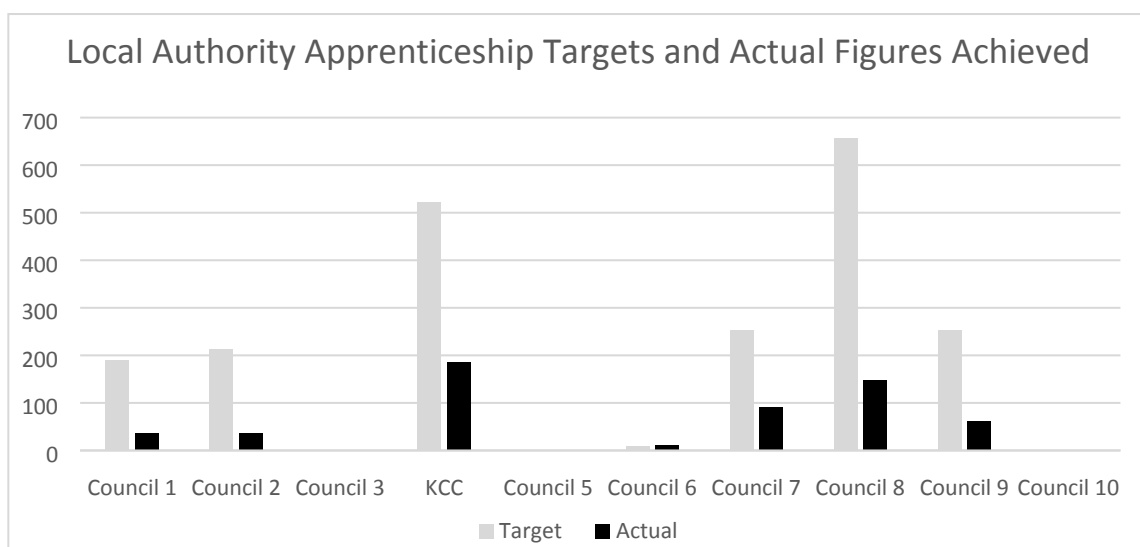


4. Benchmarking Data

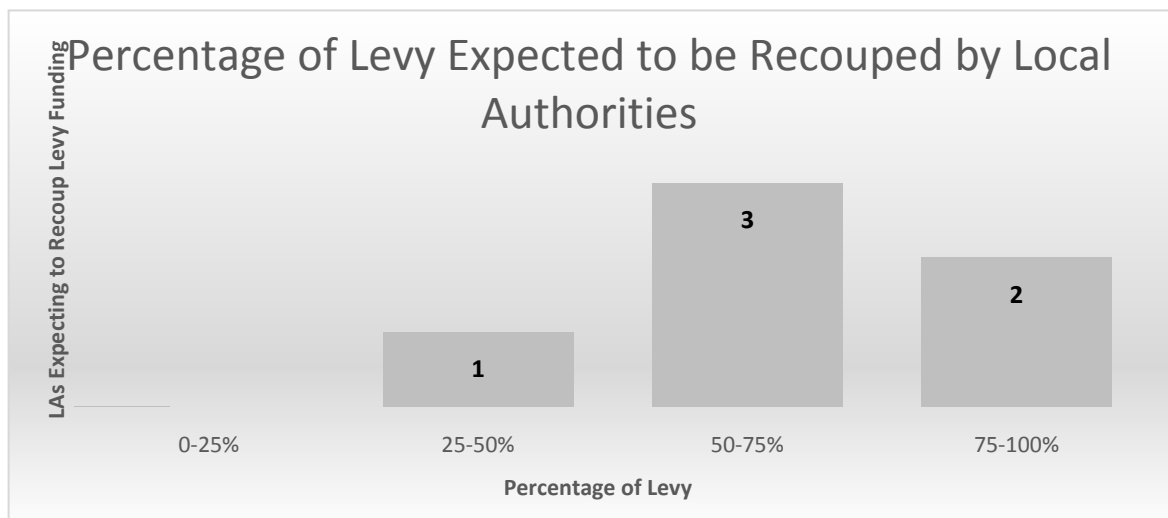
4.1 Local Authority Benchmarking

A benchmarking exercise was undertaken with 10 Local Authorities of differing sizes and locations in December 2017 based on data to October 2017.

The following graph shows KCC's performance in relation to the Local Authorities surveyed. As can be seen from the data (which has been anonymised), KCC has achieved the highest number of apprenticeship starts of those who responded.



The surveyed councils were asked whether in their first two year cycle (April 2017 - March 2019) if they thought that they would be in a position to recoup all of the levy. Six councils responded with half of those believing that they will be able to recoup 50 to 75% of the levy over this period.



Additional information gathered from the Local Authority responses include:

Most common challenges identified by councils:

- 20% of the job training requirements
- Availability of appropriate frameworks/standards

Most popular standard or framework areas identified:

- Business administration
- Supporting Teaching and Learning in Schools (framework)
- Team Leader/Supervisor (standard)
- Customer Service (framework)
- Accounting

4.2 Private and other Public Sector

Online research has shown that there are 39 companies operating apprenticeships in the South East of England and these range from consultancies to construction and provide a high number of opportunities for people interested in apprenticeships in a wide range of industries.

Examples of private sector activity

Organisation	Industry	Example Programmes Offered	Frameworks/Standards
Aldi	Retail	Logistics Stores	School Leaver Programme Intermediate level (Level 2) Intermediate Level (Level 3) Advanced level (Level 3)
Anchor Trust	Housing and Care Sector	Health & Social Care Business Administration Digital Marketing	Intermediate Level (Level 2) Advanced level (Level 3)

		Payroll Customer Service Catering IT	
Atos	IT and Telecommunications	IT Communications	Advanced Level (Level 3) Higher Level (Level 4 and 5)
BBC	Broadcasting	Digital Journalism Broadcast Engineering	Higher Level (Level 4/5) Degree Level School Leaver Programme
IBM	Business and IT and Communications	Business Technology	Degree Level Higher Level (Level 4/5)
KPMG	Accounting and Finance	Accounting Business Finance	Degree Level Advanced Level (Level 3)
Leonardo	Engineering	Engineering Craft Mechanical	Intermediate level (Level 2) Intermediate Level (Level 3) Higher Level (Level 4/5)

5. Wider Kent Engagement

5.1 Skills & Employability

Employability and Skills have been carrying out many activities to promote the apprentices in schools:

Apprenticeship Ambassadors

Within this academic year the Skills & Employability service have started the Apprenticeship Ambassador Programme, the purpose of which is to provide bespoke support to selected groups of students who would like to do an apprenticeship after school.

There are currently two Apprenticeship Ambassadors (one that covers south and east Kent and one that covers north and west Kent) who are apprentices themselves, studying level 4 Business Admin. Their role is to inspire and encourage students to pursue an apprenticeship route and since they have been in post a year have engaged with 71 institutions, which includes academies, non-selective schools, grammar schools, special schools, colleges and Pupil Referral Units (PRUs). This equates to engagement with approximately 4,000 students across Kent.

Apprentice Kent

There are currently approximately 1,400 vacancies on the site and 4,300 young people registered. The number of young people registered has exceeded vacancies for over a year. Not all the young people registered will move into an apprenticeship but through the website and other digital channels young people can be kept informed of opportunities. Grammar schools are becoming more interested as degree apprenticeships become available. Apprentice Kent now has a Facebook page which has 2500 likes and promotes vacancies from the website.

Made in Kent Campaign Phase 2

Made in Kent phase 2 started in April 2017 and sets out to young people in Kent the opportunity to experience an interview with an employer, undertake an assessment and create an action plan.

The target is 1000 interviews and to date there have been 65 interviews.

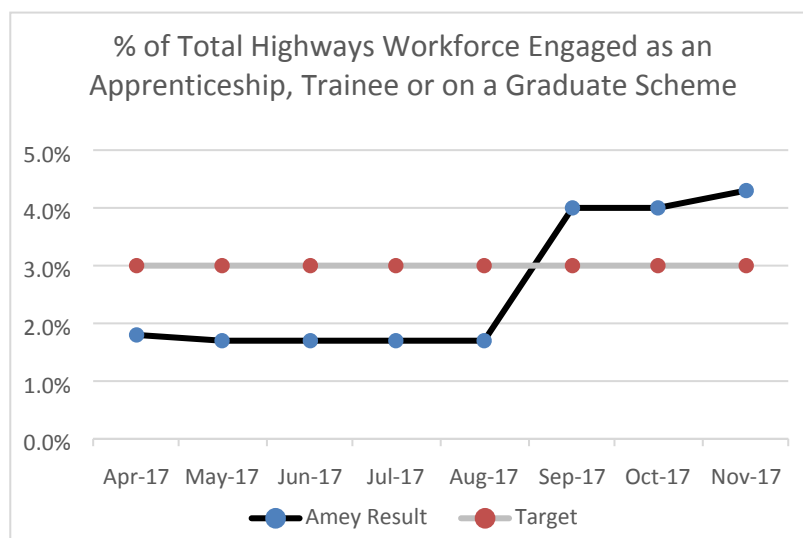
The first event was attended by 15 and good feedback was received. The next event took place on 7th November where 50 people attended.

There is a further event scheduled for 28th February to be held at MidKent College with 100 people expected to attend from schools in the local area. There is also potentially another event on the 1st March at North Kent College and contact is being made with North Kent schools to invite them to this event.

Skills & Employability are contacting every Headteacher at a Community/Voluntary Controlled School to introduce the service and remind them about their ability to access the levy.

6. KCC Procurement

The following graph shows the number of apprentices, trainees graduate scheme trainees in the engaged workforce for Highways contracts. The figures show that required target of 3% has been exceeded. There has been a pronounced increase since April 2017 from 1.8% to 4.3% in November 2017. This shows a commitment within Highways to use the apprenticeship levy as a training tool to upskill their workforce.



7. KCC Communications activity

The support that Kent Communications has provided includes:

- Press Release sent out to promote the launch of 1,000 interviews. This resulted in BBC SE (TV news) expressing interest in interviewing successful candidates and employers for the next 1,000 interviews event.
- Re-printing Made in Kent leaflets – 1,000 copies.
- Support provided to Made in Kent on social media

8. Social Care / Health Pathways

Social Care Pathways and the identification of appropriate Apprenticeship frameworks and standards is greatly impacted by market availability of appropriate training and this is reflected by the maturity of the model within the different Social Care Services. For example, the Older People and Physical Disability and Design service has been able to identify a number of standards appropriate for their service, whereas there are no current children standards that have been approved which impacts on the development of the Specialist Children's Services pathway.

It is anticipated that as further frameworks /standards are developed and approved it will present an opportunity for services to further tap into the Apprenticeship Levy (for example the development of the Social Work Degree). However, it is expected that due to service specific skills or the small number of posts within some services that different routes, outside of the Apprenticeship frameworks / standards, for training will need to be identified (for example OPPD are currently exploring other training options in relation to their Case Officer posts).

9. Forward plans to Maximising the Levy

9.1 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 level

9.2 An event to celebrate the success of staff undertaking Apprenticeship training in Schools and KCC is being planned and will be extended to include existing staff undertaking apprenticeship training. This will take place in May 2018.

9.3 Opportunities are being explored 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 & Directorate priorities.

9.4 As stated above, KCC, along with other employers, has needed to concentrate on converting existing staff to apprenticeship roles in order to maximise our draw down of the Apprenticeship Levy. As an employer, it would enable a greater concentration on supporting young people in Kent into employment (at the same time helping in the objective of shifting the age range of our staff towards the younger end) if the introduction of accredited training in some key areas was

accelerated. The ability to commission our own bespoke training from accredited training providers would assist this.

- 9.5** Greater emphasis on the opportunities offered by apprenticeships in schools' careers advice; more awareness in our supply chain and flexibility to offer apprentice support through use of our apprenticeship levy to SMEs; ability to use some of our levy funding to make payments to young people on apprenticeship schemes and a more effective national marketing campaign about the benefits of the apprenticeship route would all help us in the drive to reach and exceed our apprenticeship targets.

10 Recommendation

- 10.1** Personnel Committee is invited to consider and note the contents of this report and endorse the proposed activity to maximise the Apprenticeship levy.

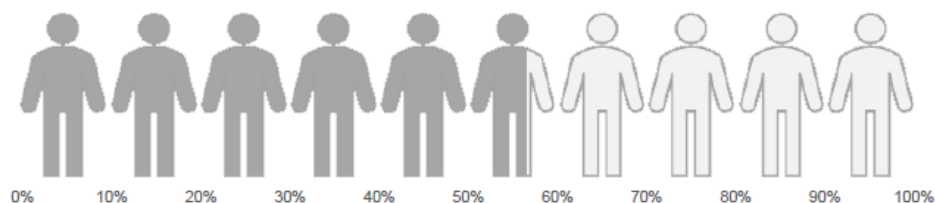
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Background Documents:
Personnel Committee – October 2016

Appendix 1

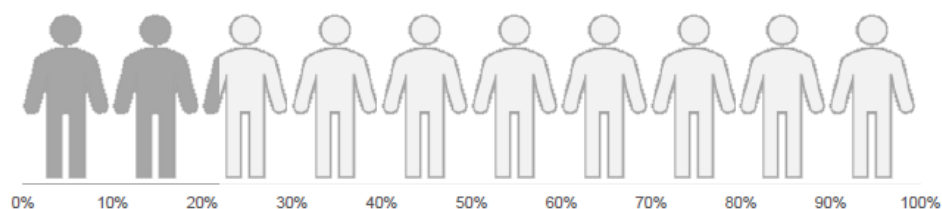
Apprenticeship training data to November 2017

Apprenticeship Targets KCC's Position in Comparison to Apprenticeship Target



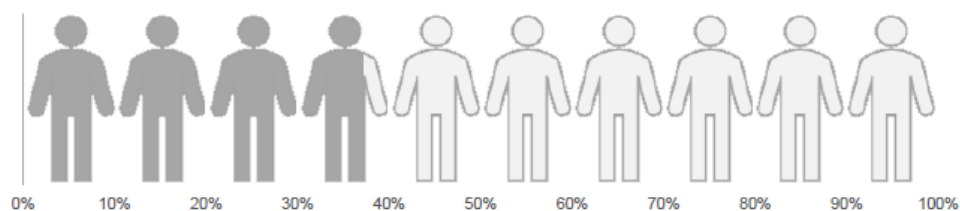
Total no. of KCC apprenticeship starts	130
KCC Target	230
% complete in comparison to the KCC target	57%

School's Position in Comparison to Apprenticeship Target



Total no. of Schools apprenticeship starts	64
Schools Target	293
% complete in comparison to the Schools target	22%

Overall Position in Comparison to Apprenticeship Target

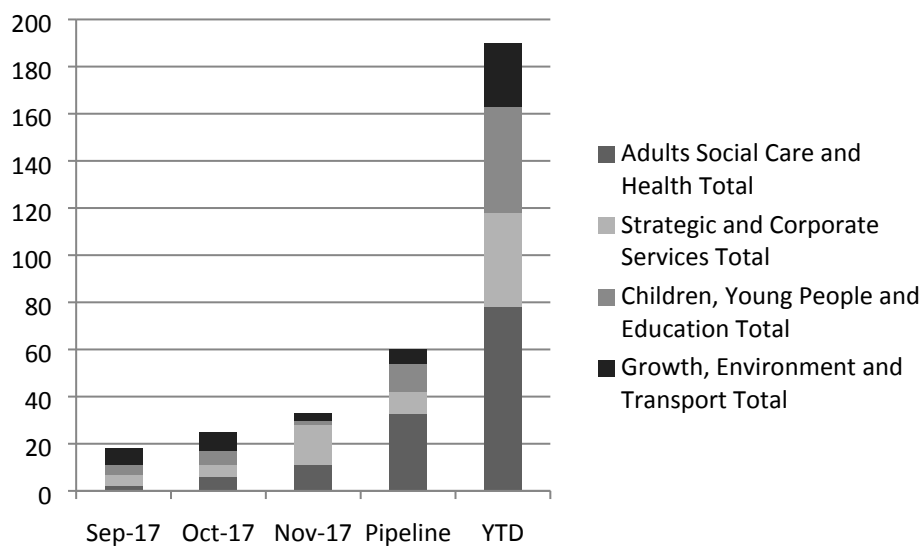
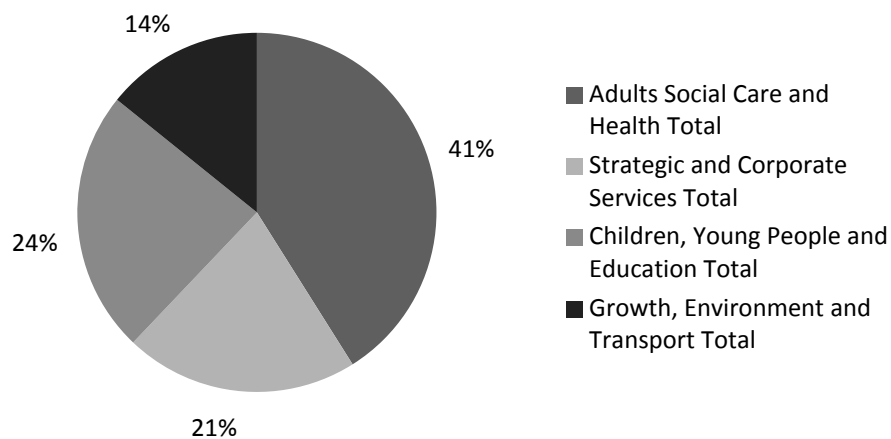


Total no. of current apprenticeship starts	194
Overall Target	523
% complete in comparison to the overall target	37%

New Apprenticeship Starts per Month by Directorate/Division

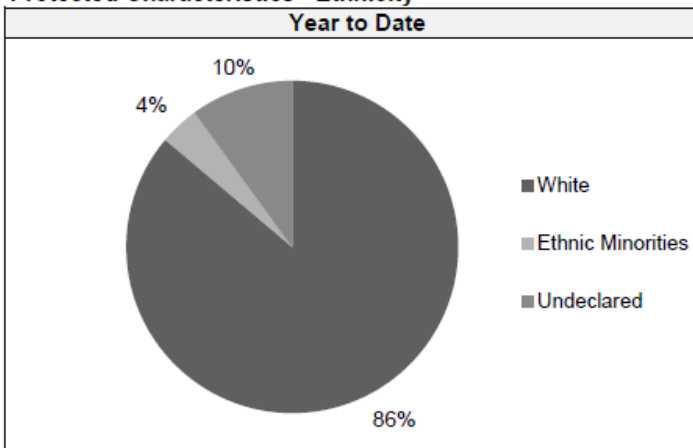
Area	Sep-17	Oct-17	Nov-17	Pipeline	YTD
AH - Older People and Physical Disability	2	6	9	10	30
AH - Disabled Children, Adult Learning Disability and Mental Health	0	0	2	23	48
AH - Corporate Director's Office	0	0	0	0	0
AH - Public Health	0	0	0	0	0
Adults Social Care and Health Total	2	6	11	33	78
ST - Engagement, Organisation Design and Development	1	0	1	1	3
ST - Strategic Commissioning	0	1	0	6	8
ST - Infrastructure	4	4	15	0	26
ST - Strategic Policy Relationships and Corporate Assurance	0	0	0	0	0
ST - Governance and Law	0	0	0	0	0
ST - Corporate Director's Office	0	0	0	0	0
ST - Finance	0	0	1	2	3
Strategic and Corporate Services Total	5	5	17	9	40
CY - Early Help and Preventative Services	2	2	2	4	27
CY - Education Quality and Standards	0	2	0	3	7
CY - Specialist Children's Services	2	2	0	4	10
CY - Education Planning and Access	0	0	0	1	1
CY - Corporate Director's Office	0	0	0	0	0
Children, Young People and Education Total	4	6	2	12	45
GT - Economic Development	0	0	0	0	0
GT - Environment, Planning and Enforcement	2	1	0	0	6
GT - Highways, Transportation and Waste	2	0	3	1	6
GT - Corporate Director's Office	0	0	0	0	0
GT - Libraries, Registration and Archives	3	7	0	5	15
Growth, Environment and Transport Total	7	8	3	6	27
Total no. of KCC levy apprenticeship starts	18	25	33	60	190

Year to Date

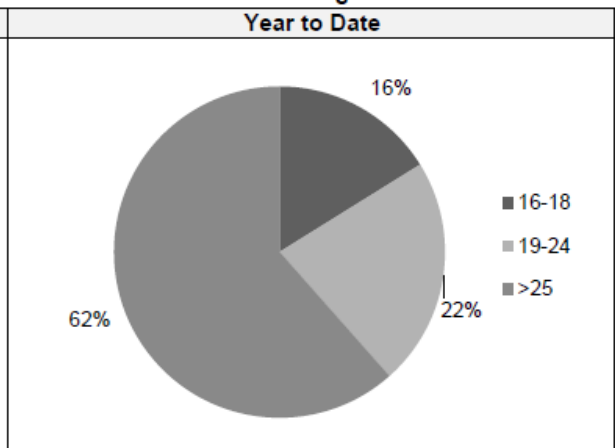


Equalities Information

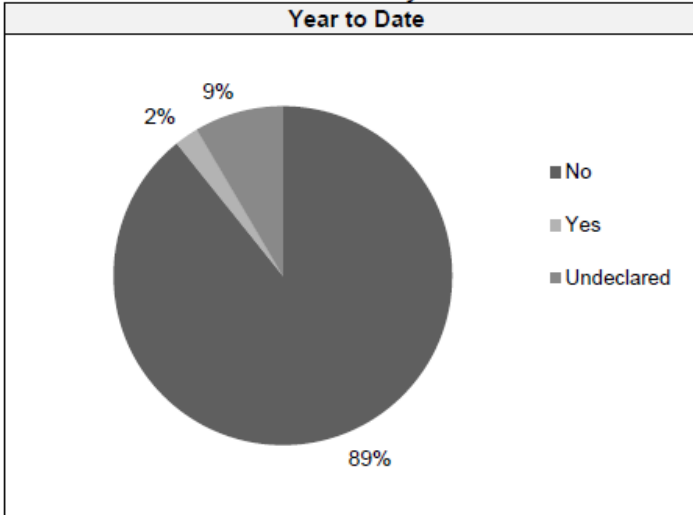
Protected Characteristics - Ethnicity



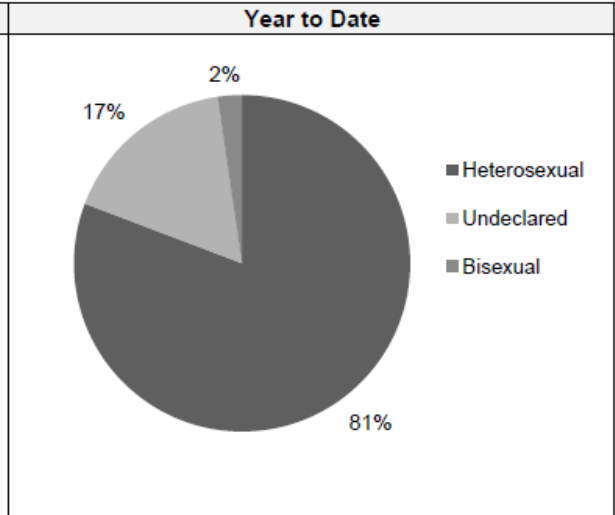
Protected Characteristics - Age



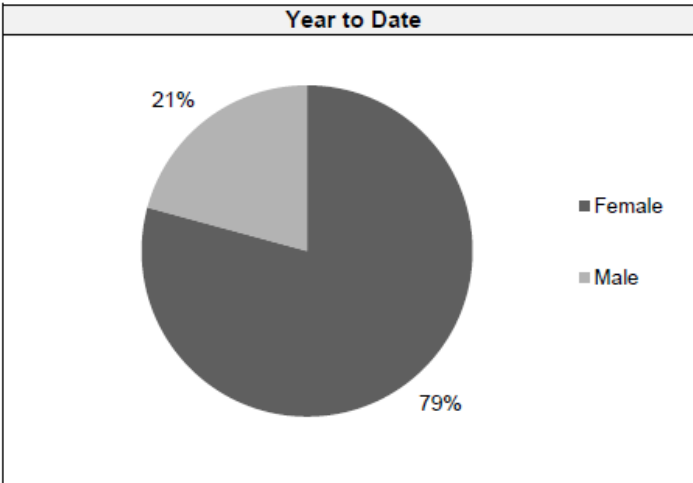
Protected Characteristics - Disability



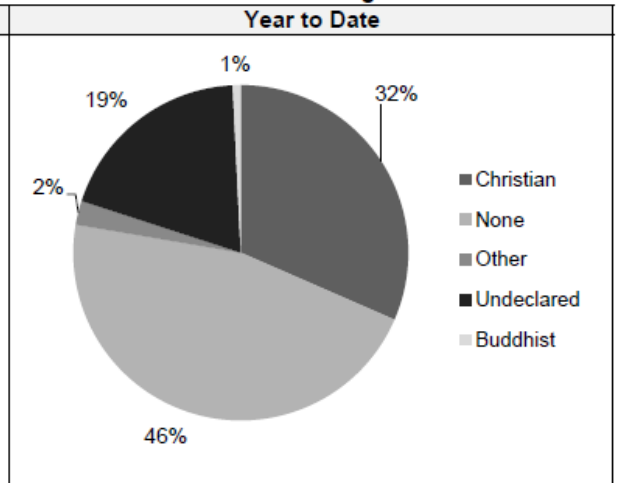
Protected Characteristics - Sexual Orientation



Protected Characteristics - Gender



Protected Characteristics - Religious Belief



New Apprenticeship Training Starts

Measure	Sep-17	Oct-17	Nov-17	Pipeline	YTD	Trend												
No. Schools apprentice starters	13	20	13	39	97	<table><thead><tr><th>Period</th><th>Value</th></tr></thead><tbody><tr><td>Sep-17</td><td>13</td></tr><tr><td>Oct-17</td><td>20</td></tr><tr><td>Nov-17</td><td>13</td></tr><tr><td>Pipeline</td><td>39</td></tr><tr><td>YTD</td><td>97</td></tr></tbody></table>	Period	Value	Sep-17	13	Oct-17	20	Nov-17	13	Pipeline	39	YTD	97
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