

Subject:	Apprenticeship Scheme Policy	Status:	For Publication
Report to:	Corporate Scrutiny Committee	Date:	17 th March 2014
Report of:	Chief Executive	Portfolio Holder:	Finance and Resources
Key Decision:	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	Yes	Attached: Yes
Biodiversity Impact Assessment	Required:	No	Attached: No
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1.	RECOMMENDATION(S)
1.1	That Corporate Scrutiny note and support the Apprenticeship Scheme Policy.

2. PURPOSE OF REPORT

2.1 The purpose of the report is for the Committee to note agreement and support for the Apprenticeship Scheme Policy.

3. CORPORATE PRIORITIES

- 3.1
- **Responsive and value for money services** – this priority is about the Council working collaboratively being a provider, procurer and commissioner of services that are efficient and meets the needs of the local people.
 - **Regenerating Rossendale** – this priority focuses on regeneration in its broadest sense, so it means supporting communities that get on well together, attracting sustainable investment, promoting Rossendale as well as working as an enabler to promote to promote the physical regeneration of Rossendale.

4. RISK ASSESSMENT IMPLICATIONS

4.1 **Reputational risk** – failure to support National and Local government youth strategies.

Litigation risk – potential litigation risk relating to age restriction of apprentices and ring fencing recruitment to the Borough – this has been considered and mitigated by the completion of EIA.

Financial risk - failure to meet skills gaps through progression planning.

5. BACKGROUND AND OPTIONS

5.1 The Council’s current Apprenticeship Policy was agreed on 8th January 2008, it is best practice to review every three years or following changes to legislation and/or organisational changes.

This policy has delegated authority to Officers.

5.2 Definition of an Apprenticeship

An apprenticeship is a form of contract of employment, which has the purpose of training an individual in the necessary skills for a role and/or attaining a relevant qualification.

An apprentice will typically be an employee, and will therefore benefit from all related rights, such as unfair dismissal and protection against discrimination. Although, while the primary purpose of a regular employee is to undertake work for the employer, the focus for an apprentice is more on the facilitation of training and undertaking work that may enhance the process.

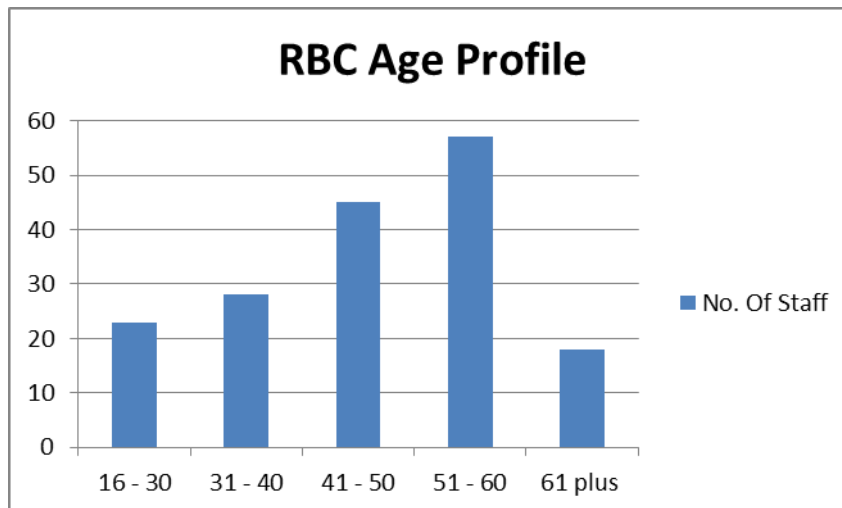
5.3 Advantages of employing Apprentices

The Council currently has a high percentage of employees above the age of 50 and apprentices are an opportunity to offer entry level jobs in order to continue the development of an effective workforce.

Apprentices enable the opportunity to develop future talent and ensure succession planning, develop knowledge transfer whilst addressing future skills gaps.

Rossendale Borough Council workforce age profile.

Age profile	No. of staff	Percentage of staff	No. office based staff	No. manual staff
16-30	23	13.45%	10	13
31-40	28	16.37%	20	8
41-50	45	26.32%	36	9
51-60	57	33.33%	32	25
61 plus	18	10.53%	8	10
	171	100.00%	106	65



Managing and mentoring an apprentice is a development opportunity for the existing workforce, particularly for employees that currently do not have people management responsibility.

Although the NEET Analysis Report for the Children’s Trust – Rossendale District Report, September 2012/3 has identified that there has been a reduction in the percentage (8.5% in September 2013) of young people Not in Employment, Education or Training (NEET) in Rossendale, there is a high percentage of NEET in Rossendale. A commitment to an

apprentice scheme would continue to support the local apprenticeship drive and provide the opportunity for more local young people to gain paid employment, on the job training, work experience and a recognised qualification, whilst increasing their employability for the future.

The appointment of apprentices within the Council would support a key objective of the NEET Strategy Group for Hyndburn, Rossendale and Ribble Valley, which links to Rossendale’s Children and Young People’s Trust to supports the Youth Employment Strategy in the reduction of youth unemployment

The Council has been supporting the Get Britain Working government funded initiative (aimed at NEETS aged between 18-24 year olds) over the last two years. Due to the success of the GBW scheme the Council recruited two full time apprentices to join the Corporate Support Team. Feedback from Managers has been positive and a number of Managers have indicated that they could support an apprentice within their service areas.

5.4 Principals of the Apprenticeship Scheme

Age Range of the Apprentices

Although to include a restricted age range for the apprentices could result in a discrimination challenge under the Equality Act 2010, an EIA has been completed using NEET youth unemployment statistics and the Council’s workforce planning data to justify an age restriction of 18 – 24 years and mitigate any age discrimination challenges.

There is potentially no discriminatory reason for the policy to include an essential criteria to ring fence applicants to be a resident of the Borough.

Apprenticeship Training Agreement

Following legislation changes there is a requirement to provide an apprenticeship with a Training Agreement, which sets out the terms and conditions of the apprenticeships contract of employment.

Terms and Conditions

It is proposed that the apprentices will be employed on NJC conditions with the exception to the Council’s pay and grading framework.

It is proposed that the Council pay the Apprentices the National Minimum Wage for Apprentices to maximise the recruitment of young people into apprenticeship roles across all areas of the Council.

National Minimum Wage for Apprentices as per government guidelines.

Age	Hourly rate	Annual salary
Under 19 years or first year of apprenticeship	£2.68	£5,170
18-20 years in second year of apprenticeship	£5.03	£9,704
21 years and over not in first year of apprenticeship	£6.31	£12,173

The apprentices will not be eligible for auto enrolment into the Council’s Pension Scheme but will have the option to join on request.

Government Funding

Government funding via the Apprenticeship Grant of £1,500 per apprentice (maximum 10 grants in twelve month period) is available to support employers employing apprentices aged 16 to 24 years.

A budget of £27K has been approved at Full Council (26th February 2014) with funding coming from the Director reserves, therefore not in the core revenue budgets and a need to review funding on a rolling annual basis, subject to identified future funding sources.

Annual value per apprentice

Age	Annual salary	Less government funding
Under 19 years or first year of apprenticeship	£5,170	£3,670
18-20 years in second year of apprenticeship	£9,704	£8,204
21 years and over not in first year of apprenticeship	£12,173	£10,673

The National Apprenticeship Service will match the employer's commitment to employing apprentices by covering in full, or part, the training costs (Level 3 training fully funded).

The work based experience provided by the Council will support the apprenticeship training role to develop and enhance the apprentices' knowledge, skills and abilities to be able to secure future employment.

An apprentice will not replace an existing employee or be expected to undertake the full duties of an existing employee.

Duration of the Apprenticeship

It is proposed that the duration of the apprenticeship would be a minimum of twelve months maximum of two years.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

6.1 The pay and remuneration detailed within the Pay Policy Statement are within the approved budget of the Council.

7. MONITORING OFFICER

7.1 No comments.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

8.1 People and Policy implications are contained within the report.

8.2 Consultation has been undertaken with the Management Team, Staff and Trade Union. The Trade Union is supportive of the Apprenticeship Scheme.

8.3 An EIA has been undertaken, which has identified that there is no major change required as the Apprenticeship Scheme is a targeted initiative for a specific protected equality group – ‘young people’ and therefore determines that there will be no significant adverse or disproportional impact and there is objective justification where possible impact is identified. It is believed that this scheme will create apprenticeship and employment opportunities for those young people who are currently unemployed or NEET throughout Rossendale. This should have a positive impact on the skillset of the local labour force (Appendix 1).

9. CONCLUSION

9.1 The Council is committed to supporting employment opportunities and investing in young people.

9.2 The Council’s Apprenticeship Scheme for 2014-5 will support six apprenticeships for local young people.

Background Papers

Document	Place of Inspection
Apprenticeship Scheme Policy	Appendix 1
Full Equality Impact Assessment –completed January 2014.	Appendix 2