



COUNCIL CABINET
2 April 2014

ITEM 13

Report of the Leader of the Council, Cabinet
Member for Children and Young People and the
Cabinet Member for Business, Finance &
Democracy

Apprenticeships and Traineeships in Derby City Council

SUMMARY

- 1.1 The introduction of a Traineeship programme will increase opportunities for young people who need additional support and training in order to secure an apprenticeship.
- 1.2 Consideration should be given to increasing the number of apprenticeship places and creating a traineeship programme within Derby City Council to help young people into employment and develop a skilled and motivated workforce for the future.
- 1.3 By offering apprenticeships directly, the Council is reducing youth unemployment and offering young people the chance to improve their skills and career prospects. Most of the council's apprentices progress into either higher vocational training or employment. The council will also be seen as example to other employers in the city by increasing its commitment to apprenticeships.

RECOMMENDATION

- 2.1 To approve 25 traineeship places across the council in 2014/15. There will be no additional cost to the Council as this programme is fully funded through the Education Funding Agency and the Skills Funding Agency.
- 2.2 To increase the number of apprenticeships from fifty to one hundred places between April 2014 and October 2015 subject to the availability of additional resources.
- 2.3 To set and monitor targets for the number of young people from under-represented groups recruited to traineeships and apprenticeships each year and to guarantee an apprenticeship or traineeship is offered to every care leaver who is eligible.
- 2.4 To promote the benefits of apprenticeship and traineeship programmes across the council to councillors, staff and young people.
- 2.5 To provide leadership to realise opportunities for apprentices and trainees. Directors should set out plans to achieve agreed target numbers within their teams and report progress to cabinet members and Chief Officers Group twice yearly in April and October.

REASONS FOR RECOMMENDATION

- 3.1 The continued high level of young people in Derby who are not in education, employment or training (NEET) has to be addressed. 60 apprenticeship places were secured in 2011; however this target was not achieved due to financial commitment from directorates as well as the staff capacity.
- 3.2 The current apprenticeship programme managed through the City Placements team in the Children and Young People's directorate has increased significantly since 2011 from 35 places to 50 but the target of 60 places per year that was set in 2011 has not been achieved. This is partly due to the lack of funding from directorates of £6,500 per year required for each apprenticeship place.
- 3.3 The number of apprentices recruited from the most disadvantaged wards in the city is low. Of the 47 apprentices on programme in January 2014, only 5 lived in Abbey, Arboretum, Boulton, Derwent, Mackworth, Normanton or Sinfin wards. There were only three apprentices from black or minority ethnic groups and only one with a declared disability. In order to address the number of NEET young people in the city the aim is to recruit more apprentices from these groups. One of the barriers faced is the lack of qualifications and skills to meet the entry requirements. The introduction of a traineeship programme would provide an opportunity for young people to develop the skills and knowledge needed to secure an apprenticeship place and to be successful.
- 3.4 The outcomes for Derby City Council apprenticeships are good. In 2012/13 94% went on to positive outcomes in employment or further education on completion of their programme, 75% progressed in to further employment in Derby City Council. The success rate for the NVQ Business Administration qualification element of the apprenticeship programme delivered by Derby City Council's Adult Learning Service was 100% compared with a national average of 69.7%



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SUPPORTING INFORMATION

- 4.1 The Council has at any one time around 50 apprenticeships for 16-18 year olds. There are good systems in place, through the City Placement Team in the Children and Young People's directorate, the Adult Learning Service and the Human Resources team, to generate places, manage the process and deliver the accredited programmes. Most of the existing apprenticeships are Business Administration and Accountancy but this really needs to be broadened out if the number of placements on offer and the sustainability of future placement opportunities is to be improved.
- 4.2 Traineeships were introduced in 2014. The traineeship programme consists of training in maths, English, information communication technology and employability skills alongside a work experience placement. The trainee receives free training and financial support for travel and subsistence. If the young person is eligible for state welfare benefits they will continue to be paid during the traineeship. A traineeship can last between eight weeks and six months. There is an expectation that at the end of the traineeship the young person would be able to progress into an apprenticeship or employment. Traineeships can only be delivered by training providers who have been recognised by Ofsted as a good or outstanding provider. Derby City Council's Adult Learning Service meets the criteria and can therefore provide an "in-house" traineeship programme within the council.
- 4.3 Apprenticeships and Traineeships will not be used as replacements for permanent posts.
- 4.4 Derby City Council aims to provide a continuum of work experience and employability programmes from work experience for school children, graduate placements, work experience placements for unemployed adults, traineeships, apprenticeships through to the Derby's Working scheme
- 4.5 In order to deliver the NVQ element of the apprenticeship programme for 50 additional places in 2014/15 academic year the Adult Learning Service will have to secure an additional £150,000 from the Skills Funding Agency. In 2013/14 the Skills Funding Agency initially allocated £120,000 with an additional allocation of £25,000 from April to July 2014 to meet the costs of the current apprentices. Negotiations with Skills Funding Agency are taking place. It is anticipated that due to the high success rates achieved by the Adult Learning Service and government's commitment to increase the number of apprenticeship places that this will be secured.

OTHER OPTIONS CONSIDERED

- 5.1 To increase the number of apprentices by 50 in one year. This would increase the demand on the annual budget but the demand for additional places may not be met.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Amanda Fletcher, Janet Bowlzer Simon Hann, Sue Farmery Richard Williams, Lynda Poole Alan Smith
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IMPLICATIONS

Financial and Value for Money

- 1.1 The cost of each apprentice is £6,500 per year and is currently paid for by the employing department. This charge covers the salary and training costs of the apprentice and makes a contribution to the costs of the City Placements Team within the CYP Directorate.
- 1.2 The funding for the accredited element of the apprenticeship programmes and the full cost of the Traineeship programme will be secured from the Skills Funding Agency and the Education Funding Agency.

Legal

- 2.1 Not directly arising from this report.

Personnel

- 3.1 The young people employed on the fixed term Apprenticeship contracts have no employee rights at the end of their one year contract.
- 3.2 Apprenticeships and Traineeships will not be used as replacements for permanent posts or to replace post that have been lost through redundancy.
- 3.3 The City Placements team would be increased by 0.6 FTE if there is sufficient funding.
- 3.4 The number of assessors and accreditation administration staff in the Adult Learning Service would be increased but the cost of this would be covered by Skills Funding Agency funding.

Equalities Impact

- 4.1 The recruitment of apprenticeships will follow the council's recruitment and selection procedures.
- 4.2 The introduction of a traineeship programme is intended to address the under-representation of young people from black and ethnic minority groups and those with disabilities within the council's workforce.

Health and Safety

- 5.1 Not directly arising from this report.

Environmental Sustainability

- 6.1 Not directly arising from this report.

Property and Asset Management

7.1 Not directly arising from this report.

Risk Management

8.1 There is a risk that the council may not be able to recruit sufficiently qualified and/or experienced staff for both ALS and City Placements.

8.2 Funding from the Skills Funding Agency for the 2014/15 academic year will not be confirmed until March 2014.

Corporate objectives and priorities for change

9.1 Derby's Economic Strategy:

- Influencing young people's career aspirations
- Addressing barriers to employment

Derby City Council Plan 2014/2015

- Inspiring start in life by improving educational attainment.
- Improving working life by improving skills and creating jobs.
- Inspiring place to live by improving inner city areas.
- Skilled and motivated workforce