



REPORT TO: POLICY AND RESOURCES COMMITTEE ON 3 SEPTEMBER 2019

SUBJECT: MODERN APPRENTICESHIPS UPDATE

BY: CORPORATE DIRECTOR (CORPORATE SERVICES)

1. REASON FOR REPORT

- 1.1 To advise the Committee of the current situation in respect of apprenticeships within Moray council, current issues impacting on progress and consider options available.
- 1.2 To seek the Committee's decision on the progress being made towards the establishment of a council wide programme of work to support the employment of young people through apprenticeships and training posts with the council.
- 1.3 This report is submitted to Committee in terms of Section III (B) 27(c) of the Council's Scheme of Administration relating to the recruitment, training and development, health, safety and welfare policies and practices of the Council.

2. RECOMMENDATIONS

2.1 It is recommended that the Committee:-

- (i) **considers and notes the current situation in respect of apprenticeships within Moray Council, current issues impacting on progress and options available; and**
- (ii) **provides guidance as to the approach preferred, if any, to the employment of young people through apprenticeships.**

3. BACKGROUND

- 3.1 On 24 October 2017, this Committee agreed to endorse the establishment of a council wide programme of work to support the employment of young people through apprenticeships and training posts within the council, and that work should be undertaken to investigate the possibility of the expansion of the Council and extended community options (paragraph 5 of the minute refers).

3.2 The report to that Committee noted that whilst various levels of funding are available to support training, the costs of employment must be met by the Council and so the financial position limited what could be considered. There were also issues of capacity related to the additional pressure that on the job training and support requires for an employee in training would place on services and staff when resources are already stretched. However, it was recognised that the Council has experience in apprenticeships and training and so it was proposed to build on that and to adopt an incremental model to a council wide apprenticeship programme that could be reviewed and directed appropriately as it progressed. The following stages of development were identified for the work agreed by the Committee in October 2017:

- i) **Development of Current Apprenticeships:** continue with trade and other apprenticeships within each service to meet service requirements.
- ii) **Introduce New Apprenticeship frameworks:** designate existing posts in services as suitable for apprenticeships and establish new modern apprenticeships or other appropriate training arrangements. This would be undertaken as part of annual workforce planning activities and would be accommodated within existing budget and resources over a 5 year period.
- iii) **Expanded Council Apprenticeship and Training Programme:** Development of new apprenticeships that bring advantage to a) the council as an employer and b) the Moray local economy. There would be employment costs associated with any additional apprentice roles it was decided to create.
- iv) **Extended Community Apprenticeship and Training Programme** Consideration of the development of apprenticeships that would be excess to council requirements as an employer and so would provide a supply of skilled labour for the wider community.

4. **CURRENT POSITION**

- 4.1 The Council currently employs 20 apprentices, of which 9 are working as Modern Apprentices (MAs) within Early Years and Administration roles. The remaining 11 apprentices are working within Craft roles.
- 4.2 There are a number of apprenticeship frameworks that are relevant to Council services including Accounting, Care Services and Leadership, Childhood Practice, Social Services (Children and Young People), Construction (in different specialisms), Engineering, Facilities Services/Management, IT and Telecommunications, Payroll, Procurement, Youth Services. To date, the ones that appear to be most popular though, apart from the traditional Craft apprenticeships, are those related to administration.
- 4.3 Eligibility for MA funding has three main groupings: 16 – 24, 25+ and 20 – 29 years for disabled or care experienced young people.

- 4.4 As a result of the financial pressures within the council, further development work has been put on hold and limited progress has been made in implementing new apprenticeship frameworks as described above.
- 4.5 While there remains an appetite in services to support the engagement of further modern apprentices barriers including lack of budget to create new posts and capacity to invest time and training to develop the apprentice in the role have hampered progress. Additionally the lack of a central co-ordinator was also a factor as that would have been useful in managing any corporate programme.
- 4.6 Graduate Apprentice (GA) frameworks are considered to be of higher value by some departments with professional services as this investment would support the council to 'grow our own' in some of the hard to fill specialist and professional posts and to enable structured succession planning. The significant mentoring and support requirements required from the Council however are seen as challenging for services operating with already stretched resources. Combined with the limited range of GA frameworks that are available in this area that would be relevant to council services, it is anticipated that a significant investment in GAs is unlikely and that opportunities will be taken on an ad hoc basis rather than a planned programme.

5. OPTIONS FOR THE WAY FORWARD

- 5.1 Whilst the value in supporting the development of the young workforce is not in question, the practicalities of implementation have proven difficult in the climate of financial constraint and service pressures. It is unlikely that this position will change so that the project can be progressed effectively if there remains limited budget, capacity and resources. Committee are asked to consider the following options in relation to the delivery of the council's approach:
1. **No change:** continue current approach within resources and budget. No new action will be taken to develop or accelerate engagement of young people via Modern Apprenticeships (MA). However, services will continue to employ an MA and offer training positions when they have capacity and budget to do so.
 2. **Internal promotion of Modern Apprentice** opportunities for training to the current workforce. Apprenticeship options could be identified to employees in post and for vacant posts which may be able to be converted to an apprenticeship position or where there could be access to training via the apprenticeship scheme and would include graduate apprenticeships. This option would require some level of central coordination initially and a time limited financial investment would be required to enable this work to be undertaken and services set up to manage this individually moving forward. It is anticipated that a 0.5 fte Assistant HR Adviser post would be required to undertake this work for an initial 12 month period until the necessary infrastructure with regard to policy, practice and procedure were set up with a view to mainstreaming the work into the core HR resource thereafter. This would equate to approximately £19,000 in terms of budget required for the post.

3. **Implement a council wide Apprenticeship and Training Programme:** As described above in section 3. Review of the range of apprenticeship frameworks and other training options on offer to identify the advantage they offer in terms of a) the council as an employer and b) the Moray local economy. Based on this an assessment would be undertaken to determine the merits of funding additional apprenticeships for a council programme. There would be employment costs associated with any additional apprentice roles it was decided to create and additionally this would require some additional resource to enable and support delivery. It is anticipated that a full-time HR Adviser post would be required to undertake this work for an initial 12 month period with a review at 9 months to consider the progress and the future options and resources that would be required. This would equate to approximately £51,500 in terms of budget required for the post.

6. **SUMMARY OF IMPLICATIONS**

(a) **Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The proposals are supportive of the priorities in the current corporate plan and those emerging in the Loip in terms of developing the young workforce.

(b) **Policy and Legal**

None

(c) **Financial Implications**

There are no financial implications from continuing the current approach. However, this is having limited impact on the development of modern apprenticeships in the council. There would be costs associated with options 2 and 3 and guidance is sought on whether to proceed to explore these options and identify associated costs before proceeding.

Option 2: £19,000 0.5 fte Grade 7 Assistant HR Adviser temporary post for 12 months

Option 3: £51,500 1 fte Grade 9 HR Adviser temporary post for 12 months as initial costs with the likelihood that implementation of an apprenticeship programme would also require further budget allocation for new posts.

Corporate Management Team Additional Expenditure Warning

When the council approved the budget for 2019/20 on 27 February 2019 (para 4 of the Minute refers), the three year indicative budget before the council showed savings required in 2020/21 of £12.2 million and £6.7 in 2021/22. Although the final figures will vary, it is clear that the council will have to reduce its costs significantly across all services in future years. All financial decisions must be made in this context and only essential additional expenditure should be agreed. In making this determination the committee should consider:

- Is there a statutory requirement to incur the expenditure?

- Are there any alternative actions available to avoid or reduce the cost?
- Are there alternative ways in which the service could be provided?
- What are the risks and consequences of not allocating the funding?
- Does the expenditure contribute to long term financial stability?

If in light of these factors the spend is considered essential, Committees should consider how it could be accommodated within the service budget, including what other activity would have to cease or diminish with what impact and risk. Only following these considerations should request be made to the Council for additional budget allocation.

If the additional spend recommended in this report is approved, this will increase the savings targets by £19,000 or £51,500 for 2020/21 and £51,500 for 2021/22 depending on what option is approved.

While in isolation these figures may not be significant, the cumulative impact of all new pressures will require to be taken into account for future years. If the committee recommends additional budget to be allocated this recommendation will be considered in the next quarterly budget monitoring report in the context of the current overall financial position of the council and in particular in the overall context of spend beyond affordable limits that impinges on the Council's reserves policy position.

(d) Risk Implications

The workforce strategy and plan are based on assessment of the issues and risks anticipated in relation to the council's workforce and identify actions to address these. The engagement of a corporate approach to apprentices has been identified as a means to addressing some of the issues highlighted in relation to our commitments under supporting delivery of Moray 2026 Plan for the future and supporting the Developing Young Workforce initiative.

(e) Staffing Implications

There are no staffing implications arising from this report. However, dependant on the agreed way forward this may result in additional resources being requested and a follow up report would be submitted to Committee if option 2 or 3 was agreed.

(f) Property

There are no property implications arising from this report.

(g) Equalities/Socio Economic Impact

This report supports the employment of young people who are under-represented in the council workforce.

(h) Consultations

This report has been circulated to CMT-SMT and the Committee Services Officer and their comments are included within the body of the report.

7. CONCLUSIONS

- 7.1 The establishment of a council approach to apprenticeships and training for young people was agreed by the Policy and Resources Committee in October 2017. There have been difficulties in progressing this due to the Council's financial position, managing service pressures and the lack of specific resource for the project. Therefore, there has been limited progress made. This report seeks to clarify the priority to be given to the development of modern apprentices within the council and as a result the budget and resource that can be allocated to this work if an increased focus is identified.**

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Background Papers:	
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