

<b>Committee</b> Community and Children's Services	<b>Dated:</b> 18 November 2016
<b>Subject:</b> Apprenticeships	<b>Public</b>
<b>Report of:</b> Director of Community and Children's Services	<b>For Information</b>
<b>Report author:</b> Simon Cribbens, Community and Children's Services	

### Summary

The City of London Corporation is committed to delivering 100 apprenticeships across its departments in 2017/18. It proposes to deliver an exemplar service, and has agreed in principle to fund an enhanced level of support and service delivery. Details of the service and structure to deliver it will be brought to Members for approval. It has also agreed to increase apprentice salaries so that they start in line with the London Living Wage.

### Recommendation(s)

Members are asked to note:

- the target to deliver 100 apprenticeships by the end of 2017/18 and sustain this level in subsequent years
- the agreement to fund an enhanced Apprenticeship Service and strategic commissioning role managed by DCCS, estimated at approximately £250,000
- that a staffing structure required to deliver the enhanced service will be brought to the January 2017 committee for approval.

### Main Report

#### Background

- 1 The City of London Corporation has set an ambition to be an exemplar in the recruitment, training and development of apprentices. During 2017/18 the City Corporation will expand and maintain its offer to employ 100 apprentices within the organisation and deliver a service that provides outstanding quality and opportunity.
- 2 The City Corporation's ambition is delivered against the context of changes to government policy which have imposed an "apprenticeship levy" of 0.5 per cent of the City Corporation's gross pay bill and a requirement to ensure apprentices make up more than 2.3 per cent of the public sector workforce (which for the City equates to approximately 70 apprenticeships).
- 3 As a consequence, demand and competition for apprentices will increase significantly as public sector bodies act to meet the government's target and larger levy paying employers seek to draw on their levy to meet their skills needs.

- 4 Against this background it is important that the City Corporation's apprenticeship offer delivers the quality, brand and remuneration required to secure the number and quality of apprentices sought.
- 5 This report informs Members about the implementation of these plans and the service developments they propose and highlights the role of this Committee in relation to its oversight of the Apprenticeship Service.

### **Current Position**

- 6 The City Corporation is already both an employer of apprentices and an approved apprenticeship provider – training and supporting apprentices employed by the City Corporation and a number of other City businesses. The number of apprentices employed and supported within the City has remained broadly static in terms of numbers over the past few years.
- 7 Engagement with departments has identified a strong interest in expanding their apprenticeship offer. Some have expressed concerns about attracting a range of apprentices of the right quality and appropriate level of job readiness. Departments also stressed the importance of the City providing for apprentices' wider support needs.
- 8 Departments already have plans to employ 31 apprentices next year, and have identified the potential to employ significantly higher numbers (over 70 more) if the support and additional funding is available, and the City Corporation is able to compete to attract high-quality candidates in sufficient volume.
- 9 The City Corporation's Apprenticeship Service (a division of the Department of Community and Children's Services) has identified the Corporation's current apprentice salary levels as a disincentive to some potential applicants and a deterrent to those from lower income backgrounds. The service has also highlighted the need to attract a very high number of applicants given the desired target and the number of applicants required to meet current demand.

### **Implementation**

- 10 A strategic implementation plan and proposals for an expanded programme, apprenticeship salary levels and resourcing of an enhanced Apprenticeship Service have been agreed by the Strategic Resources Group, Chief Officers Group and Establishment Committee.
- 11 The implementation, from May 2017, proposes that apprentices will be recruited in four cohorts across the year. The initial focus will be the recruitment of apprentices at levels 2 and 3, to provide entry-level opportunities.
- 12 The City Corporation will deliver or broker all training of apprentices in-house through the DCCS Apprenticeship Service as an "employer-provider". This service has a track record of delivery to both internal and external partners and was graded as "good" following an Ofsted inspection earlier this year. In 2017 the Apprenticeship Service will move in order to deliver its service from dedicated space within the Guildhall Library.

- 13 As an employer-provider, the City Corporation will be able to directly design and deliver the content of training for our own apprentices, will have greater control and oversight of the quality of that training and education provision, and will be able to ensure our programme provides greater levels of support before, during and after apprenticeships.
- 14 Such a model also means the City Corporation is able to ensure that the levy payments it makes are not spent on an external third-party organisation, but invested back into the City Corporation to maximise the value and benefit of the programme.
- 15 The delivery of this service will require additional resourcing for elements that cannot be funded by the levy. The City Corporation anticipates drawing in income for its annual levy contributions (which are estimated to be £720,000). However, levy income can only be used to fund training, education and the end point assessment of apprentices.
- 16 The additional service elements proposed include outreach work with schools and communities, specialist support for those with additional needs, pastoral support for apprentices, training and support to managers and supervisors, an additional information advice and guidance provision to support future employability and post-apprenticeship support.
- 17 To hold this service accountable and provide for robust performance monitoring and management, it is also proposed to resource additional strategic commissioning capacity. This will provide oversight of the performance and delivery of the City Corporation's Apprenticeship Service and were it to become necessary (or in exceptional circumstances) the capacity to commission services from an alternative provider.
- 18 The service and commissioning elements were considered by both the Summit Group and Establishment Committee, which approved in principle funding of approximately £250,500 to support them. A project group, co-sponsored by the directors of Human Resources and Community and Children's Services, is now developing the detailed structure and service plan with the Apprenticeship Service and HR.
- 19 This plan, and the proposed staffing structure that will support it, will be brought before Members of this Committee and the Establishment Committee in January 2017 for approval.
- 20 The Establishment Committee also considered and approved proposals to increase apprentice salary levels in line with the London Living Wage. The City Corporation is accredited with the Living Wage Foundation, which recommends paying the Living Wage to apprentices as best practice. It is felt that this salary level will enable the City Corporation to better attract and secure the number and quality of apprentices it seeks, demonstrate the City Corporation's commitment to being a leader on this agenda and better support the ambition to attract those from poorer backgrounds.

21 The project group developing the detail of service proposals will also have oversight of the many uncertainties that may impact on the City Corporation's future plans – such as the level of future demand and competition for apprentices in the local and wider economy. In doing, it will monitor and report progress to Members.

### **Corporate & Strategic Implications**

22 The approach to apprenticeship set out in this report supports the priorities and delivery of the Corporate Plan, Education Strategy and Children and Young People's Plan. It is also integral to the forthcoming Employability Framework and delivers to the commitments set out in the recently published document *The City's Business*. It also ensures the City complies with its statutory obligations.

### **Conclusion**

23 A commitment to quality of provision and support and the achievement of high-level outcomes will help ensure the City is a destination that attracts talent from schools, including our academies, independent and local schools, and from our surrounding communities. Delivering this as part of an outstanding Apprenticeship Service will require funding for additional services that cannot be funded by the apprenticeship levy alone. However, such funding will provide for a better service, better outcomes and a clear demonstration of the City's published commitment to be an exemplar.

### **Appendices**

- None

Simon Cribbens  
Head of Strategy and Performance, Community and Children's Services  
T: 020 7332 1210  
E: [simon.cribbens@cityoflondon.gov.uk](mailto:simon.cribbens@cityoflondon.gov.uk)