

Key Decision Required:	No	In the Forward Plan:	No
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CABINET

14 JUNE 2019

REPORT OF CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER

A.4 UPDATE ON APPRENTICESHIP PROVISION OF CAREER TRACK

(Report prepared by Carol Magnus, Debianna Messenger and Anastasia Simpson)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To provide an update on the work of the Council’s apprenticeship service Career Track.

EXECUTIVE SUMMARY

Career Track was established within Tendring District Council in 1983. Since then it has continuously provided apprenticeship opportunities within the organisation and for other employers. Over the years the nature of the apprenticeships and indeed the very definition of ‘what is an apprentice’ has changed when government priorities and focus have been amended as part of both education and employment policy.

The Council’s sustained commitment to the Career Track apprentice scheme has been a central plank of its work to develop a more skilled workforce and to “grow our own” employees of the future within Tendring.

Following the government’s simultaneous overhaul of apprenticeship delivery rules with the introduction of the national Register of Approved Training Providers alongside the introduction of the Apprenticeship Levy May 2017, Career Track has faced its biggest ever change and challenge.

This report sets out the nature of that change and the current position of Career Track. It will also outline the key priorities for the service over the coming 12 to 15 months.

RECOMMENDATION(S)

It is recommended that Cabinet notes the work of Career Track as detailed in this report.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The Council’s Corporate Plan 2016-2020 puts Community Leadership at the heart of everything we do, and within that it has a focus on education and health through the following priorities:-

- Facilitate improved qualification and skills attainment
- Enable better job prospects

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

Risk

There is a limited risk that projects may fail. However, robust project management and good partnership working help to mitigate this.

LEGAL

It is recognised that Tendring District Council does not have statutory duties or powers in relation to education, health and wellbeing but through its Community Leadership role it engages with partners in supporting improvements in relation to both these areas.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

The work of Career Track positively addresses disadvantage by providing employment opportunities for young people and raising educational attainment within the District and beyond. Having gainful employment is known to positively improve mental health, engagement and self-esteem. This report applies to all Wards.

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND CURRENT POSITION

BACKGROUND

Career Track

Career Track was established within Tendring District Council in 1983. Since then it has continuously and successfully provided apprenticeship opportunities within the organisation and for other employers. **In the last ten years 547 people have achieved an apprenticeship and 93 employers have engaged with the service.** Over the years the nature of the apprenticeships and indeed the very definition of ‘what is an apprentice’ have changed when government priorities and focus have been amended as part of both education and employment policy.

Following the government’s simultaneous overhaul of apprenticeship delivery rules with the introduction of the national Register of Approved Providers alongside the introduction of the Apprenticeship Levy, Career Track has faced its biggest ever change and challenge.

The team consists of five staff; Work Based Learning Manager (full time), Training Assessment Team Leader (part time), two Training Assessment Officers (one part time and one full time) and a Work Based Learning Support Assistant (part time). It is managed by the Work Based Learning Manager.

Career Track is part of the People, Performance and Projects service and is managed by the Organisational Development Manager.

The team provide apprenticeships in Business Administration, Customer Service, Team Leading and Management. The majority of apprentices study Business Administration or Customer Service at either Level 2 or 3. In broad terms level 2 is roughly equivalent to a good pass at GCSE and level 3 is roughly equivalent to A Level. It takes between 12 and 15 months to complete a level 2 and 18 months to complete a Level 3. During this time the learner gains experience in the job, demonstrates they can perform consistently and competently with an understanding of their role. The learner works towards gaining an

NVQ/BTEC qualification.

Apprentices and Apprenticeships

Traditionally an apprentice was a young person who would spend up to five years apprenticed to a business, often in a 'trade' such as carpentry, engineering, plumbing. Over the past 30 years this definition has changed. An apprentice is still often a young person aged between 16 and 19. The government's priority is still to ensure that all young people in this age group continue learning in either a work or more traditional education setting.

More recently, the government changed its definition so that anyone of any age could undertake an apprenticeship providing they could show they were gaining new skills and/or knowledge. This opened up the opportunity for staff who were already employed and older than 19 to also become an apprentice. Most apprenticeship qualifications were set at levels 2 to 5. **56% of all apprentices are in the 16-18 range, 30% are 19-23, 12% 24-49 and 2% 50 plus.**

In 2017 the government changed this again and introduced apprenticeships up to and including degrees in skills shortage areas and even up to MBA. Now, a senior manager or Chief Executive in an organisation can also be an apprentice.

Funding

In 2017 funding rules changed. The Apprenticeship Levy was introduced. All employers with a payroll in excess of £3m pa have to pay 0.5%pcm into their Digital Apprenticeship Account via HMRC. Organisations then have up to 24 months to spend the money on apprenticeship fees prior to it 'expiring' and being claimed back by the government.

Employers with a payroll less than £3m do not have to contribute to the levy. If they have an apprentice aged 19 or over they pay just 10% of the course fee and the government pays the rest; if the apprentice is aged 16 to 18 the apprenticeship fees are fully funded by the government.

Organisations and companies are therefore referred to as either 'levy paying' or 'non levy paying' employers.

Providers

Companies that provide apprenticeship training, such as Tendring District Council under the name of Career Track are referred to as 'Providers'. Until recently, Career Track operated as a sub-contracted provider under the auspices of Colchester Institute.

In 2017 the government changed the criteria for providers to be allowed to deliver apprenticeships. Under the new rules, Career Track was no longer eligible to operate as a sub-contractor of Colchester Institute. To secure its future, the decision was made to apply, through the national tender process, for Career Track to gain Approved Provider status on the national Register of Approved Training Providers (RoATP). The tender application was successful.

However, government rules meant that organisations on the RoATP could only deliver apprenticeships to levy paying employers. The government ran a secondary tender process for providers to apply to deliver apprenticeships to non-levy paying employers. This secondary tender was only open to providers who delivered a specific number of apprenticeships in a specific year. Unfortunately Career Track did not meet this criteria. Consequently, Career Track can only currently provide apprenticeships to levy paying

employers.

As an Approved Provider, Career Track is audited by ESFA (Education and Skills Funding Agency) and is inspected by Ofsted.

CURRENT POSITION

The loss of opportunity to support non levy paying employers with apprenticeships within Tendring has had an impact on Career Track over the past twelve months. This has resulted in an estimated total loss of £60,000 revenue. Perhaps more importantly and sadly it has meant that many long standing working relationships with small local businesses have now been lost. Local employers who have approached Career Track based on its long established and successful track record have had to be turned away and referred to larger institutions.

This has also resulted in a dip in apprentice numbers as Career Track has had to identify new levy paying employers who are prepared to choose Career Track as their apprenticeship provider. Tendring does not have a large number of levy paying employers within the district. It also takes longer to secure a contract with a larger employer.

Nonetheless, new employers have come on board and more are joining. As well as supporting Tendring District Council, Career Track now also supports Colchester Borough Council, Maldon District Council, Ellison's Solicitors and Silverton Aggregates. Discussions are ongoing with a number of other employers.

At the time of writing Career track is supporting **24 apprentices within the organisation. 64% of all the apprentices in the Council are with Career Track.** It is also supporting **12 apprentices in other organisations.** A further **eleven apprentices** are expected to start within the coming two months as advertised apprentice vacancies are filled, with opportunities for **17 apprenticeships in three other organisations being discussed.**

For Tendring District Council, the annual levy payment of around £48K pa is spent on apprenticeship fees with Career Track so no levy is unspent.

Current success rates are 92%. Between 1st August 2018 and 30th April 2019, 23 apprentices completed their programme and all 23 gained employment. 100% of all apprentices who completed their programme achieved their qualifications.

In the last six years 20 Career Track apprentices have gone on to University following their achievement of an apprenticeship.

One Tier 3 Manager and three Tier 4 managers currently employed in Tendring started their career as a Career Track apprentice.

Sixteen Tendring staff have undertaken Foundation Degree Apprenticeships with Career Track in the last three years.

13% of Tendring's current staff were once an apprentice.

In November 2017 Career Track had an audit visit from ESFA, no improvement measures were required. Recent inspection visits from Pearson (the awarding body for the qualifications) have also given a 100% report with no improvements required. At the time of writing an Ofsted inspection has not taken place but a monitoring visit is expected anytime in 2019. An invitation to re-apply to continue to provide apprenticeships via the ESFA RoATP is due in June 2019.

The following are extracts of feedback from apprentices with Career Track.

“Apprenticeships allow you to get your foot in the door to a business. I never thought I would ever have the knowledge and skills to be able to work for local government but becoming an apprentice allowed me to learn and gain the skills required to be successful.

Without the apprenticeship I would never have had the opportunity to be able to apply for my current job role as it was only posted internally within the Council and now I am finally in a job that I love that can also offer me career progression should I want to move up the ladder. Gaining a qualification at the end of all that hard work makes it all worth it too to know that you are now open to more opportunities and you earned it. It is a great feeling.

I would advise you go for it and stick with it. It can be a struggle working full time and not getting a full wage but it is one year out of your whole life where you get to learn new things and take the first steps into a real career that seemed like a farfetched idea before. Be patient because all that hard work will be worth it in the end.”

Cheyenne, TDC

“I completed my Level 3 NVQ in March 2018 so I am now ready to go onto a construction course to further my education and gain my dream job.

Apprenticeships are great to get you into the working environment whilst gaining professional qualifications. They give you an idea of where you would like to end up... I never thought I'd be aiming towards being a building surveyor!

If it wasn't for the apprenticeship programme I don't know what I'd be doing now. It was definitely the best decision I have made and wouldn't change a thing!”

Annie, TDC

PROJECTS AND PRIORITIES

The following sets out details of specific priorities:-

Increase the number of apprentices to a total of 70 by the end of 2019.

Develop new marketing and promotion materials and strategy and increase digital presence by August 2019

Prepare for Ofsted inspection, target to gain 'Good' grading by December 2019

Re-apply to ROAPT for continued 'Main Provider' status in June 2019

Conclusion

This report provides an overview of the work of Career Track. The projects identified above will continue to form the subject of regular updates to the Senior Management Team and Members.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

None