

Cherwell District Council

Executive

4 April 2016

<p style="text-align: center;">Interim Position Statement on Planning Obligations for Construction Apprenticeships and Skills</p>
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Report of Commercial Director (Bicester)

This report is public

Purpose of report

The purpose of this report is to seek approval of the Interim Position Statement (attached as Appendix 1 to this report) relating to the securing of construction apprenticeships and skills through the land use planning system.

1.0 Recommendations

The meeting is recommended:

- 1.1 To approve Appendix 1 as guidance which will operate informally to secure construction apprenticeships and skills through the processing of planning applications by the Council, prior to informing a relevant policy within the Cherwell District Council Local Plan Part 2 and the Planning Contributions Supplementary Planning Document, which are currently in the early stages of preparation.
- 1.2 To request that the Leader nominates a Cherwell District Council representative on to the Apprenticeship and Training Company Apprenticeship and Training Agency (ATA) Board.

2.1 Introduction

- 2.1 Over the past 18 months, the Bicester Delivery Team has been working with partners to progress a scheme which would allow a sustained programme of apprenticeships to be delivered throughout the construction of the NW Bicester site. In doing this the Team has been mindful of the Eco Town planning principles and the leverage this gives the Council as a planning authority to encourage the development to be economically sustainable.
- 2.2 The two main components of the scheme are as follows:
 - i) Securing a target number of apprenticeships

Apprenticeships are being secured through S106 agreements attached to each outline planning application at NW Bicester. The initiative aims to deliver a target figure of 300 apprenticeships over the build out period (and potentially beyond), focusing on the construction and related trades initially, but broadening its scope to end users on site. This figure has been confirmed as realistic by the Construction Industry Training Board (CITB).

ii) Setting up and operating an Apprenticeship Training Agency (ATA)

A key element in the successful delivery of the programme has involved the setting up of a local Oxfordshire-based Apprenticeship Training Agency (ATA). In essence the Council's role has been to seek a way to secure apprenticeships through development and setting up the ATA is the best way to make this happen. It will be this organisation that will employ apprentices. The ATA will effectively carry all the risk. It will provide the necessary insurances and health and safety training as well as accessing suitable local candidates, liaise with local training providers to secure the appropriate college training and support, and with developers to agree the nature of the apprenticeship and on-site placement timescale.

2.3 It has always been the intention to develop a model and to implement it initially at NW Bicester and then to roll this out to other development sites in Bicester and the wider Cherwell District. Ultimately the intention is that the pilot could be used Oxfordshire wide.

2.4 The scheme was the subject of a successful bid for grant funding to OxLEP in December 2014. Cherwell District Council received £50,000 specifically to set up the ATA and to cover its first year of operation by a third party. A report went before the Executive in April 2015 which outlined the scheme. The Executive noted the report and approved CDC to be the accountable body as recipient of the grant.

3.0 Progress since the last Executive Report (April 2015)

3.1 Setting up the ATA

The Bicester Delivery Team has now set up *The Apprenticeship & Training Company Ltd*. It is a company limited by guarantee, operating on a not-for-profit basis, which was incorporated in 2015. It has just been approved by the Skills Funding Agency (SFA) to deliver the service, via its 'Recognition' process. The SFA closely regulates and monitors who can deliver this service. An interim director is in place to manage the early work associated with company set up and operation.

3.2 The aim is for the Company to start operating in earnest by the end of Spring 2016 so it can be in a position to start managing apprenticeships for developers and their contractors shortly after. The current priority is to recruit members for the Board, after which the next action will be to seek a third party operator, as CDC previously decided that this should not be operated in-house. An advert will be going out for 7 Board members by the end of March 2016 with a view to recruitment during April 2016. It is anticipated that a representative from CDC will be able to be appointed to sit on the Board.

3.3 Securing apprenticeships through NW Bicester S106 agreements

A number of constructive discussions are currently underway as part of the preparation of S106 agreements to be attached to outline consents at NW Bicester. Specifically officers are seeking to secure in the region of 152 new construction apprenticeships through the NW Bicester applications that the Planning Committee have resolved to grant to date. The S106 agreements will be drafted so that developers are encouraged to use The Apprenticeship and Training Agency or other equivalent approach to be approved in writing by CDC, to manage the apprenticeships.

3.4 This emerging positive direction has encouraged officers to devise an approach, (based on the experiences to date at NW Bicester), which seeks to achieve similar outcomes for development across the District. This is contained at Appendix 1 of this report. It is considered that there is an immediate opportunity to capitalise on the scale of development currently being processed through the planning system by CDC. Valuable opportunities to secure new construction apprenticeships and skills could be lost if we wait until there is the opportunity to include the policy approach in Local Plan Part II and the Planning Contributions Supplementary Planning Document, which are still in the early stages of preparation.

3.5 Hence this is suggested to have the status of informal guidance to inform the discussions development control officers undertake with applicants of relevant planning applications to secure new apprenticeships. In this way, as well as helping to secure new apprenticeships through development, the Guidance will also be able to be usefully trialled ahead of its potential inclusion within Local Plan Part II and the Planning Contributions Supplementary Planning Document.

4.0 Approach of the Interim Position Statement

4.1 The Council will seek to apply this Guidance across the entire administrative area. It will seek the provision of a stated target number of new construction apprenticeships (or apprenticeship starts) as part of an Employment, Skills and Training Plan (ESTP) for each proposal for new development, to be secured via condition or S106 agreement, whichever is the most appropriate. The submission of ESTPs should not be unduly onerous for developers, hence an ESTP framework will be provided for information as an appendix to the guidance. This can be reproduced by developers and completed by filling in the relevant numbers.

4.2 This Guidance will apply to certain types of new development and subject to specified thresholds. However if proposed developments fall below these thresholds but developers would still like to provide new construction apprenticeships, then the Guidance states that the Council will encourage and seek to support them in doing so. As the number of stated new apprenticeships will be expressed in planning obligations / conditions as a stated target to be achieved, if developers and / or their contractors are able and willing to exceed these, then the Council will encourage them to do so.

4.3 In essence, although the Guidance is keen to achieve an increase in new construction apprenticeship opportunities in the District through the planning system, it also considers that such arrangements need to be arrived at through discussion and agreement with developers, rather than imposed in a top-down

fashion. It will be counter-productive if the numbers of construction apprenticeships sought by CDC are unrealistic because they are actually unable to be achieved.

5.0 Conclusion and Reasons for Recommendations

- 5.1 Increasing the number of new apprenticeships in England is a high profile Government objective. Cherwell District Council supports this aspiration. The amount of new development taking place in the District over the next 20 years or so, coupled with the evidenced shortage of construction skills provides both an incentive and opportunity to secure the provision of new construction related apprenticeships through the land use planning system.
- 5.2 The Cherwell District Council Local Plan Part 1 as well as CDC's Economic Strategy contain strategic aspirations relating to the need to support an increase in skills and training within the District. The Guidance at Appendix 1 provides detail on how this overarching strategic aim can be achieved through the land use planning process.
- 5.3 CDC is anticipating that developers will generally support the approach being promoted in this Guidance as an important and progressive initiative designed both increase the number of local skilled construction operatives available to support the building industry, as well as promoting the construction trades generally as a valuable future career path for young people. As such, the Executive is recommended to approve Appendix 1 to operate as informal guidance to secure construction apprenticeships and skills through the processing of planning applications by the Council, prior to informing a relevant policy within the Cherwell District Council Local Plan Part 2 and the Planning Contributions Supplementary Planning Document, which are currently in the early stages of preparation.
- 5.4 The setting up and operating of The Apprenticeship and Training Company to manage apprenticeships on behalf of developers and their contractors is a key element of delivering the apprenticeships. This is because it will make the whole process easier for developers by acting as the apprentices' employer - rather than the developer needing to. Given that the OXLEP grant is supporting the first year or so of the Company's operation and CDC is the accountable body for this grant, as well as its strategic commitment to support skills and training, it would seem appropriate that there is a CDC representative to sit on the Board.

6.0 Consultation

- 6.1 Informal discussions about the principle of this approach in relation to NW Bicester have been carried out with the lead developers of NW Bicester.
- 6.2 Discussions on the general principle of this have been had with Solicitor, Team Leader Planning, Shared Legal Team, Development Control Team Leader, Development Control and Major Projects, CDC), Senior Economic Growth Officer, CDC, Principal Planning Officer, Planning, Housing and Economy, CDC.
- 6.3 Consultation on the detail of the approach proposed in Appendix 1 has been carried out with Head of Strategic Planning and the Economy, Cherwell and South Northants, Solicitor, Team Leader Planning, Shared Legal Team, Development

Control Team Leader, Development Control and Major Projects, CDC, and Senior Economic Growth Officer, CDC.

7.0 Alternative Options and Reasons for Rejection

7.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to progress the interim informal guidance but wait until a relevant policy can be included in Local Plan Part II and Planning Contributions Supplementary Planning Document. Rejected as this will present an opportunity lost and would potentially put the Council in breach of one of the key deliverables tied to the funding, which is to demonstrate measures undertaken to roll out this approach more widely than at NW Bicester.

Option 2: Not to seek a representative on the Board of the Apprenticeship and Training Company from Cherwell District Council. Rejected as this would potentially lead to some risk for the Council in terms of being the accountable body for the OxLEP grant. A key deliverable of the funding is that each relevant delivery partner in the project should have representation on the Board.

8.0 Implications

Financial and Resource Implications

8.1 The implementation of the Guidance can be resourced within existing budgets and staff resources.

Comments checked by:

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Legal Implications

8.2 The Guidance at Appendix 1 will operate as informal interim guidance for CDC Development Control officers and applicants prior to a similar approach being potentially incorporated into the CDC Local Plan Part II where it will follow the statutory processes for consultation and scrutiny.

Comments checked by:

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9.0 Decision Information

Key Decision

Financial Threshold Met: **Yes**

Community Impact Threshold Met: Yes

Wards Affected

All

Links to Corporate Plan and Policy Framework

This report directly links to the following corporate priority and objective set out in the Cherwell District Council Business Plan 2016-2017:

Cherwell – Thriving Communities

Lead Councillor

Councillor Gibbard

Document Information

Appendix No	Title
1	Draft Cherwell District Council Construction Apprenticeship and Skills Interim Planning Policy Guidance, April 2016
Background Papers	
Apprenticeships Policy, England 2015 House of Commons Library	
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