

# PERSONNEL COMMITTEE

## Cherwell Apprenticeship Scheme

16 December 2009

### Report of Head of Human Resources

#### PURPOSE OF REPORT

To consider introducing an apprenticeship scheme at the Council.

|                       |
|-----------------------|
| This report is public |
|-----------------------|

#### Recommendations

---

The meeting is recommended:

- (1) To create a new position in the Council's pay and grading structure for Apprentices.
- (2) Approve recruitment into Business Administration Apprentice scheme during 2010, focusing recruitment within the Banbury Deprivation Area, subject to funding and suitably supported and resourced positions being identified across the Council.

#### Executive Summary

---

##### 1. Introduction

- 1.1 The new Sustainable Community Strategy has a vision to 2030 for Cherwell to have a "diverse and resilient economy" with an objective to "foster and develop alternative ways of accessing employment such as self-employment, apprenticeships, volunteering or work-based training".
- 1.2 This new Strategy has been influenced by the Skills Summit hosted by Cherwell earlier in 2009 which identified the lack of suitably skilled and work-ready recruits in the local area. Also during 2009, there has been an increase in unemployed in Cherwell, particularly so in Banbury and amongst the younger age group who are disproportionately disadvantaged by this recession as they have little or no work experience upon which to secure a job interview.
- 1.3 Engaged in this scheme is an investment in Cherwell's young people and future Council employees, providing the first step on the ladder and

helping in a small way to halt the disaffection and marginalisation that this recession is having on the younger generation. The hope is that the young recruits rise to the challenge of the responsibilities they will be given, the respect they can earn and the work experience and qualifications they can achieve.

1.4 The Cherwell Apprenticeship Scheme is in response to the above agenda and Cherwell is seeking to be a lead organisation within the scheme, employing apprentices directly and also promoting the scheme with other Cherwell employers.

1.5 The scheme is sponsored by the Learning and Skills Council (LSC) and Oxford and Cherwell Valley College (OCVC) who have secured scarce Government funding to enable apprentice training in Business Administration to be provided free of charge and with a one year wage subsidy. The scheme is focused on 16-18 year olds, employed by Cherwell on a fixed term contract of one year which will run alongside the one year Business Administration NVQ to Level 2.

1.6 A further Government funding stream is also available to Cherwell called the Future Jobs Fund where Oxfordshire has successfully secured a wage subsidy for 18-24 year olds who have been claiming Job Seeker Allowance for 9 months. The wage subsidy is for 6 months, and there is no training subsidy, however, this coupled with the above scheme, enables the Council's apprenticeship scheme to span a wider age band of 16-24 year olds.

1.7 Additionally, it is proposed that this Council undertakes "positive action" in its recruitment into its apprenticeship scheme to help young people in the parts of Cherwell where deprivation is highest (as evidenced by the Indices of Multiple Deprivation and the unemployment statistics). This has identified three Wards in Banbury (Ruscote, Neithrop and Grimsbury & Castle) where levels of education and skills are within the 5% most deprived areas nationally. With the assistance of Connexions (careers service for young people), the Council will encourage recruitment of young people currently not in education, employment or training from within this specific catchment area.

1.8 Funding for Cherwell's apprentices for the salary and national insurance commitment not covered by the wage subsidy will be secured from a range of sources. Service areas have identified they have funding for apprentices from:

- Government grants
- restructuring proposals
- recruitment advertising savings
- agency/temporary staff savings

Further, the Council's Portfolio Holder for Economic Development and Estates has agreed to underwrite the Council's element of funding for these posts up to £30K from the Government grant for economic development activity called the LABGI fund. This is based on the Council taking on six apprentices across the Council's services.

1.9 As part of engaging Banbury businesses in employing business administration apprentices, Banbury Town Council has been approached. They will be considering whether there is any scope for employment of a business administration apprentice within their administration function. Given the small size of their paid staffing structure, it is likely that they will look to Cherwell for support should they wish to proceed.

### **Proposals**

- 2.1 It is proposed that the Council introduces apprenticeships into its pay and grading structure as part of the Job Evaluation Review. The Job Description and Person Spec for the Business Administration Apprentice is attached as appendix 1
- 2.2 The Council begins initially with six Business Administration Apprentices recruited in the New Year to start March 2010 across the age range of 16-24 years.
- 2.3 The Council draws on the training and wage subsidies outlined in this report.
- 2.4 The Head of Human Resources introduces a process to select apprenticeship opportunities from those Council services where:
  - a need has been identified
  - where there is sufficient scope for the apprentice to experience a range of job tasks as required by their NVQ studies
  - and where adequate support for their line management has been offered and the associated management competency matrix satisfied
  - there should not be an automatic assumption that apprenticeship places are only available to those that can identify funding sources.
- 2.5 Banbury and Bicester Town Councils be offered appropriate support should they decide to join the scheme.

### **Conclusion**

- 3.1 Introduction of an apprenticeship scheme by the Council fits with its strategic priorities and is a practical response to the recession that is disadvantaging many of Cherwell's young people.
- 3.2 Cherwell as a district has been offered scarce Government funding for a new Business Administration Apprenticeship scheme to begin in the New Year.
- 3.3 This Council has the opportunity to demonstrate a leadership role in becoming an Apprenticeship employer and also an ambassador for this scheme with other local businesses.

## **Background Information**

---

4.1 Apprenticeship schemes are gaining momentum nationally and have been recognised to provide the following business benefits:

- Provision of skilled workers for the future
- Developing the skills of the local workforce
- Bringing young people into local government and increasing representation of minority groups
- Increasing motivation, productivity and retention of the workforce
- Return on investment through positive contribution to the work environment and added value to the business
- A high proportion of apprentices go onto to fill management positions.

4.2 Each apprentice will need the support of a dedicated member of staff who should be capable of coaching and mentoring to ensure the proper development and support of the apprentice. A competency framework has been developed (appendix 2) and any training needs stemming from that can be met by the Council's Learning & Development team. Service Heads and nominated line managers will need to commit to some personal development and have sufficient capacity to effectively line manager the apprentice.

4.3A new scheme has been launched to recognise businesses that employ apprentices. An employers badge can be displayed highlighting the commitment to the scheme. Research highlights the positive reaction to businesses displaying the badge.

## **Key Issues for Consideration/Reasons for Decision and Options**

---

5.1 Employing and managing apprentices requires commitment and resource. The key objective is to ensure they receive an appropriate level of support, training and exposure to different types of work. They should not be seen as a 'free' resource, and it will need to be clear that the line management commitment and resource is in place before any area of the Council can take on an apprentice.

5.2 Apprentices would be employed on a 12 month fixed-term contract and subject to the same terms and conditions as other staff. A new grading point (below the main scale) has been created to accommodate apprentice roles but this would be paid above the minimum wage so represents a funding investment by the Council.

5.3 At a time when the Council is making other cuts, the communication around the scheme will need to be carefully managed.

5.4 Wherever possible, apprentices will be matched to skills shortage area, so contributing to the development of future skills for the organisation.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

- |                     |  |
|---------------------|--|
| <b>Option One</b>   | Determine not to have apprenticeship posts at the Council  |
| <b>Option Two</b>   | Determine to have apprenticeship posts but to not engage with the current scheme on offer  |
| <b>Option Three</b> | Determine to have an apprenticeship scheme and engage with the current scheme on offer but with a lesser number of apprentices than the proposal for six.  |
| <b>Option Four</b>  | As per this report's recommendations, determine to have an apprenticeship scheme and engage with the current scheme on offer agreeing to seek to recruit to the proposed number of six, should sufficient, suitable candidates and posts be found. |

### **Consultations**

---

None

### **Implications**

---

- |                         |  |
|-------------------------|--|
| <b>Financial:</b>       | <p>The financial implications have been assessed and the Council would need to reconsider its position with regard to any apprenticeship scheme should the Government subsidy be withdrawn.</p> <p>Comments checked by Karen Curtin, Head of Finance 01295 221551</p>  |
| <b>Legal:</b>           | <p>Apprenticeship employment contracts differ from normal employment contracts in that they are time limited, the Council has no obligations after the contract has expired and the apprentice has no access to the pension scheme.</p> <p>The need for 'positive action' to recruit from the deprived Wards in Banbury is evidence based and in line with corporate priorities.</p> <p>Comments checked by Liz Howlett, Head of Legal and Democratic 01295 221686</p> |
| <b>Risk Management:</b> | <p>The proposals outlined set out to engage with the most disadvantaged young people in Cherwell and</p>   |

therefore the proposals to establish adequate line management and supervision with reference to a competency framework provide an acknowledgment of this risk and a way to manage it.

Comments checked by Rosemary Watts, Insurance and Risk Manager 01295 221566

**Equality and Diversity:**

Introduction of this scheme increases the scope of the Council's employment and therefore aims to deliver the Council's corporate objective of improving its equality and diversity as a major employer in the local area. The scheme addresses issues around socio-economic inequality as it engages with the most disadvantaged young people in the District.

Comments checked by Claire Taylor, Corporate and Community Planning Manager 01295 221563

**Wards Affected**

---

Initially Wards in Banbury, but, should further apprenticeship schemes be introduced, more or all Wards may be affected.

**Document Information**

---

| <b>Appendix No</b>  | <b>Title</b>  |
|---|---|
| Appendix 1  | <i>Business Apprentice Job Description</i>  |
| Appendix 2  | <i>Line Management Competency Framework</i>   |
| <b>Background Papers</b>                                      |   |
| Cherwell Apprenticeship Scheme Proposal from the LSC and OCVC |   |
| <b>Report Author</b>  | Anne-Marie Scott, Head of Human Resources and Alison Davies, Improvement Team   |
| <b>Contact Information</b>                                    | Anne-Marie Scott 01295 221731<br><a href="mailto:Anne-marie.scott@Cherwell-dc.gov.uk">Anne-marie.scott@Cherwell-dc.gov.uk</a><br>Alison Davies 01295 221580<br><a href="mailto:Alison.davies@cherwell-dc.gov.uk">Alison.davies@cherwell-dc.gov.uk</a> |