

BOROUGH OF TELFORD & WREKIN

CABINET – 29 MARCH 2012

APPRENTICESHIPS AND INTERNSHIPS

REPORT OF ASSISTANT DIRECTOR: CUSTOMER & PEOPLE SERVICES

1. SUMMARY

- 1.1 As part of our commitment to becoming a Co-operative Council, this report sets out a proposed strategy to increase the number of apprenticeships and internships offered by the Council and by other organisations in the Borough.
- 1.2 These proposals will provide rewarding work experience opportunities that are likely to particularly benefit young people. There is a clear need to improve the employability of this age group, as currently levels of both 16-24 year olds claiming Job Seekers Allowance and 16-18 year olds not in employment, education or training (NEET) in Telford & Wrekin are above the England average. As an employer, it is important therefore that the Council leads the way in helping to address this issue.
- 1.3 The report details how we plan to increase the number of apprentices offered by the Council from 52 to beyond 100 by the end of March 2013 and to improve the quality of apprentices' experience through new mentoring, induction and skills development programmes.
- 1.4 We are also seeking to develop a small pilot programme of 4 internships during 2012, offering opportunities for short-term project based practical training for students or graduates, who are not eligible for apprenticeships. If successful our aim will be to extend this programme in 2013.
- 1.5 As well as our commitment as a local employer, we will also work with partners across the Borough to encourage opportunities to be created in key sectors and to promote apprenticeships and maximise take-up.

2. RECOMMENDATIONS

- 2.1 Approve the proposed strategy set out in Section 4 of this report;**
- 2.2 Approve the use of £88k from the funding set aside as part of the 100 day budget to support employees facing compulsory redundancy, in order to support our new Apprentice posts.**

3. BACKGROUND AND CURRENT POSITION

- 3.1 Apprenticeships are an integral part of the Council's strategy on recruitment and retention. Apprentices earn a wage and work alongside experienced employees to gain skills. Apprentices also receive training towards nationally recognised qualifications. We offer a range of apprenticeships at NVQ levels 2 (GCSE Grades A-C equivalent) and 3 ('A' level equivalent)

using national frameworks at an entry-level into the organisation, to provide training in transferable skill areas and skills shortage areas. Apprenticeships are increasingly seen as an alternative to higher education with increases in the costs of university places.

- 3.2 We work with a number of training providers who are able to access funding available to support the training costs of apprenticeships, both for 16-18 year olds as well as other age ranges. Funding is more readily available for the 16-18 age ranges although we have been successful in obtaining funding for the 19+ age group.
- 3.3 As at March 2012 the Council is employing 52 apprentices with a further 12 within the recruitment process. Of these already employed, 10 are being funded through one-off funding made available through Deprived Areas Fund for a cohort of 16-18 year-old NEETS (not in employment, education and training) apprentices. Unfortunately, no further funding is available from this source.
- 3.4 Fifteen of the apprentices are being employed through schools, who are increasingly interested in supplementing their workforce with apprentices.
- 3.5 Since April 2011, 47 apprentices have been successful in securing other employment within the authority before they have completed their qualification and have continued on with their training (for the purposes of this report we have not included these in the above figures).
- 3.6 Students and recent graduates are not generally eligible for apprenticeships and currently opportunities for this group at the Council are more limited. We have researched three main options to extend existing opportunities for students and graduates:
- Placement year for students as part of a course of study;
 - Trainee posts for recent graduates (typically 1-2 years); and
 - Internships (2-3 month period of practical training, usually project-based, for either students or recent graduates).
- 3.7 Appendix 1 summarises our research into these options. Of the three options, internships have been established as the best and most flexible option at the current time.

4. PROPOSED STRATEGY

4.1 Apprenticeships

- 4.1.1 The aims of extending our current apprenticeship programme at the Council are to:
- Promote the Council as an employer and Telford as a place to live and work;
 - Give apprentices opportunities to gain rewarding hands-on experience and work-based qualifications that will increase their employability;
 - Recruit enthusiastic, capable apprentices matched to the Council's skills needs that can make a valuable contribution to the work of the Council;

- Provide a cost-effective way of developing the skills needed within the Council in future;
 - Be an exemplar employer of apprentices to encourage other organisations in the Borough to recruit more apprentices.
- 4.1.2 Our target will be to increase the number of apprenticeships available across the Council to more than 100 apprenticeship places (including schools) by 31 March 2013.
- 4.1.3 To help achieve this, we have already secured funding to train 5 apprentices in Health & Social Care as part of a 'Four Counties Apprenticeship Group', following which a further 15 apprenticeships have been made available to existing employees.
- 4.1.4 In order to develop a broad range of opportunities across the Council, our target will be to have an average of 2 apprentices per service area by the end of March 2013. To help achieve this, 50% of the costs of new apprenticeships will be funded corporately for the first year, with a view to services being requested to identify the full funding for apprenticeships themselves in the longer-term (see Section 5).
- 4.1.5 We will use the Redeployment Programme of support during apprentices' final month of employment to maximise the use of employment alternatives within the Council before the apprenticeship contract ends, retaining their knowledge and expertise wherever possible and saving on recruitment advertising costs.
- 4.1.6 Where we are not able to retain apprentices, we will support them to find alternative employment. We will do this by developing our relationships with local employers, including partner organisations within the Local Strategic Partnership and Parish and Town Councils. We will also promote our apprentices as a high-quality, trained applicants to small private and voluntary sector employers who may be unable to invest in training and development.
- 4.1.7 The Council in its role of Corporate Parent to care leavers will be offering additional support to this group through workshops that develop their skills in completing application forms, preparing CVs as well as interview skills training. This will hopefully give them a positive start when applying for apprenticeships either with the Council, or with other employers.
- 4.1.8 We will also use our position as a major public sector employer to develop pre-employment work experience both via schools through their work experience programmes (up to 2 week placements) and in partnership with Job Centre Plus, supporting the 'Get Britain Working' initiative which is targeted at unemployed people between the ages of 18 and 24 years with limited work skills (up to 8 week placements). This will both promote the Council as an employer and give a much greater appreciation for the broad range of roles and careers available within local government. Additionally it will enable us to target the Get Britain Working placements in areas where formal apprenticeships are likely to be advertised and where there are skill shortages or higher levels of turnover, thus leading to greater potential for employment.

4.2 Internships

4.2.1 The aims of developing an internship programme at the Council are to:

- Promote the Council as an employer and Telford as a place to live and work;
- Offer rewarding work experience to people that will increase their employability;
- Recruit enthusiastic, capable interns to deliver on projects;
- In the longer-term, be an exemplar employer of interns to encourage other organisations in the Borough to offer more internships.

4.2.2 Our aim is to develop a small initial programme of 4-6 internships. To pilot our approach, we will recruit an intern to carry out a project within the Co-operative Council Delivery Team. We will then seek to offer an additional 3-5 internships in summer 2012 all taking place during the same 12-week period. Interns will be given short-term project-based roles, wherever possible self-contained pieces of work that can be seen through from start to finish during the 12-week internship period. Internships are not intended to replace roles deleted during restructuring.

4.2.3 We will particularly focus on areas that regularly undertake project work, such as Economic Development. Whilst local universities advise that subject matter need not relate absolutely directly to degree material, we will also look for opportunities in areas that tend to be particularly popular with students and graduates.

4.2.4 We will actively promote internships within the Borough and via universities in the Midlands area to ensure that local students and recent graduates are aware of opportunities.

4.2.5 If successful, our aim will be to extend the programme in 2013. We will also work with the Local Strategic Partnership and local business forums to encourage other organisations to match our commitment to offering more opportunities for students and recent graduates.

4.3 Working with other organisations

4.3.1 We believe that a successful local programme of apprenticeships and other opportunities is of paramount importance to the Telford & Wrekin economy. The Council has a key role to play in ensuring that this is managed strategically and alongside local partners.

4.3.2 Our approach will include four main elements:

- **Recruitment** – ensuring that Telford & Wrekin Council is an exemplar employer of apprentices, interns etc as set out above;
- **Careers Information, Advice & Guidance** – ensuring that there is a good quality, independent information, advice and guidance service available in Telford for both young and old people and that apprenticeships are promoted as part of the wider careers offer;
- **Economic Development** – working with local providers and local employers to ensure apprenticeship take up is at the highest possible

level and that opportunities are created in our key sectors and in those areas where there are a real lack of young recruits;

- **Procurement** – Using the spending power of Telford & Wrekin Council to build Apprenticeship and Job Opportunities for local people into our major contracts.

5. RESOURCE IMPLICATIONS

5.1 Apprenticeships

5.1.1 The one-year cost of an apprentice is £5,016 per annum (plus on-costs, depending on age and pension scheme uptake). To support services to fund apprenticeships, 50% of the costs of new apprenticeships will be funded corporately for the first year and it is recommended that this funding is taken from the £600k set aside as part of the 100 day budget for employees facing compulsory redundancy. It is anticipated that in order to meet the targets set out in this report there will be 35 new apprentices (excluding schools), which will cost £175,560 (excluding on costs) in total of which £87,780 will be funded corporately.

5.1.2 The remaining funding of £87,780 will need to be found from existing service budgets, for example by:

- Reviewing vacancies that arise and seek to convert entry-level jobs into apprenticeship opportunities. This will ensure that these apprenticeships can then be funded on an on-going basis;
- Supporting existing employees who do not possess qualifications equivalent to NVQ Levels 2 and 3 using funding for training that is available through training providers;
- Managing vacancies by delaying recruitment to generate the funding for an apprenticeship;
- Examining options for one-off funding from within existing service area budgets to cover apprenticeship costs.

5.1.3 We will also use and strengthen our relationships with a broad range of training providers to ensure that all opportunities for external funding for training for apprenticeships are maximised.

5.2 Internships

5.2.1 Internships can be either paid or unpaid, however, feedback from local universities is that unpaid placements are unlikely to attract high calibre candidates or provide equality of opportunity. It is therefore recommended that interns are paid the minimum wage, giving a cost of £3.5k (including on-costs) per 12-week internship.

5.2.2 There is no external funding available and on the basis that internships should be providing a real contribution to a service the services taking part will need to fund costs from existing budgets. Funding has been agreed for the pilot internship within the Co-operative Council Delivery Team. Host services will need to commit staff time to support interns and support services will also need to provide training, induction and other support to interns.

5.3 Working with other organisations

5.3.1 All activities set out in Section 4.3 will be funded within existing resources.

6.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Council Priorities	
	Yes	<p>These proposals contribute to:</p> <ul style="list-style-type: none"> - A Co-operative Council working more closely with the community; - A growing local economy to create jobs; - Improved lives for all.
	Will the proposals impact on specific groups of people?	
	Yes	<p>Although apprenticeships and internships are open to all age groups, these opportunities tend to be particularly popular amongst people aged 16-24. This age group is currently under-represented in our workforce (6.27%) (Workforce Equality Report – January 2012). The proposals will also provide much-needed opportunities for young people who are currently unemployed or not in employment, education and training (NEET). In January 2012, 8.1% of people aged 16-24 in Telford & Wrekin were claiming Job Seekers Allowance (JSA); above the 6.4% England average. The % of people in the Borough aged 16-24 claiming JSA has doubled since 2005 and the proportion of young people claiming JSA for more than 6 months has increased over the last year (from 11% in January 2011 to 27% in January 2012). In addition, the % of 16-18 year olds in the Borough not in employment, education or training (8.5% January 2012), remains higher than the national average (6.1%). The need to promote apprenticeships across the Borough reflect the fact that only 1.1% of 16-18 year olds in Telford & Wrekin are in employment with training (including apprenticeships) compared to the England average of 5.2%.</p>
TARGET COMPLETION / DELIVERY DATE	Key dates and milestones are set out in Section 4 of this report.	
FINANCIAL/ VALUE FOR MONEY IMPACT	Yes	<p>The total cost of 35 new apprentice posts is £175,560. It is proposed that 50% of this will be funded corporately from the monies set aside as part of the 100 day budget for employees facing compulsory redundancy, as it is anticipated that there will be a sufficient sum of this one off money available at year end. The remaining £87,780 will need to be found from within existing service budgets. The funding available</p>

		<p>is one off and assumes that the apprentice posts will be for a one year period. Should Service Areas wish to keep an Apprentice on for longer than one year then they will need to identify further funding from within their existing budgets for the full cost of the post.</p> <p>There is no corporate funding available for internships and Service Areas will need to identify funding from within service budgets before agreeing to support an intern.</p>
LEGAL ISSUES	Yes	<p>The new general power of competence under s.1 Localism Act 2011 gives local authorities the legal capacity to do anything that an individual can do that is not specifically prohibited. Any apprenticeships/internships will need to comply with the relevant legislation (including employment and health & safety) and Council policies and procedures as applicable.</p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<p>Time resource - planning and support will need to be provided to support the resource requirements for mentoring, training and managing both schemes.</p>
IMPACT ON SPECIFIC WARDS	No	<p>Borough-wide impact.</p>

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Appendix 1 – Opportunities for Students and Recent Graduates (Research Summary)

Research involved 5 universities (City of Birmingham, Wolverhampton, Staffordshire, Aston and Birmingham) and 2 local authorities (Shropshire Council and Birmingham City Council).

	How does it work?	Cost:	Benefits for participants:	Benefits for Council:
Placement year	Student takes a year out of formal study	Payment arrangements vary but payment is generally expected (likely to be minimum wage)	Get work experience to take back into the third year of their degree and become more employable	Scope for students to make a useful contribution over a year's placement
Graduate trainee posts	A contract of employment where a graduate is recruited to continue training in the organisation (usually 1-2 years) – can be general or professional	Paid – there is a national graduate recruitment programme (£23k per year for 2 years plus £3k recruitment costs) or in-house scheme (typically £20k+ for 2 years)	General – first graduate role and start of career. Professional – complete studies and start of career.	General – good for developing future leaders. Professional – develop professionals for organisation, useful for skills gaps.
Internships	A 2-3 month period of work, often on a project. May take place during the summer vacation or on graduation.	Payment is negotiable – can be paid or unpaid. Advice is to pay at least the minimum wage (£3,500 for a 12-week placement)	Get work experience and become more employable – project work gives demonstrable achievements (increasingly popular with graduates who are willing to take short-term roles that help to build their CVs with a range of skills and knowledge)	Allows the organisation to deliver on projects that might otherwise not happen