

Agenda Item No: 5
Report To: Overview and Scrutiny
Date: 25th September 2012
Report Title: Apprenticeships
Report Author: John Mills, Personnel Officer



Summary:	This report informs Overview and Scrutiny of the current situation regarding the employment of apprentices within Ashford Borough Council including how they are recruited, how many have been employed, how many have gone on to get jobs within ABC, how the scheme is promoted and how much apprentices are paid.
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Key Decision: NO

Affected Wards: N/A

Recommendations: **The Committee is asked to Note the Report.**

Policy Overview:

Financial Implications:

Risk Assessment NO

Equalities Impact Assessment NO

Other Material Implications: NO

Exemption Clauses: **N/A**

Background Papers:

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Report Title: Apprenticeships

Purpose of the Report

1. This report informs Overview and Scrutiny of the current situation regarding the employment of apprentices within Ashford Borough Council including how they are recruited, how many have been employed, how many have gone on to get jobs within ABC, how the scheme is promoted and how much apprentices are paid.

Background

2. Ashford Borough Council has been offering apprenticeships since 26 August 2008. To date a total of fourteen people have been employed as apprentices, all except one were in the 18-24 age group. We currently employ five apprentices, three in customer services, one in Housing and one in Revenues and Benefits with a further three positions approved for recruitment, two in Customer Services and one in Revenues and Benefits. Of the fourteen apprentices, five went on to secure permanent employment with ABC with four of those still remaining as of July 2012.

What are Apprenticeships?

3. Apprenticeships are work-based training programmes designed around the needs of employers, which lead to nationally recognised qualifications. They can be used to train both new and existing employees. Funding is available to train apprentices but not to cover their pay and expenses.
4. There are more than 200 different types of Apprenticeships available offering over 1,200 job roles within a variety of industry sectors Apprenticeships are designed by the Sector Skills Councils, while the National Apprenticeship Service www.apprenticeships.org.uk helps to fund the training. Business representatives from the relevant industry sector work with the Sector Skills Councils to develop the course content. Unfortunately there is not a Sector Skills Council for Local Authorities only Central Government.
5. However there are some Apprenticeship courses that are appropriate to our work such as: **Asset Skills** - Facilities management, housing, property, planning, cleaning and parking - and **Financial Services Skills Council** - Financial Services, Accountancy and Finance. Typically we would normally consider:
 - o Business & Administration
 - o Customer Service
 - o Business and Information Technology
 - o Housing Practice
6. Depending on the sector and job role an Apprenticeship can take anything between one and four years to complete. It is a package of on-the-job training and qualifications. All our current apprentices are on 1 or 2 year contracts.

Apprenticeship Levels

7. There are three levels of Apprenticeship available, of which, Ashford currently offer the intermediate level on one year contracts and the advanced level on two year contracts. We do not employ any Higher Apprenticeships at the current time:

7.1 - Intermediate Level Apprenticeships

Apprentices work towards work-based learning qualifications such as a **Level 2** Competence Qualification, Functional Skills and, in most cases, a relevant knowledge-based qualification.

7.2 - Advanced Level Apprenticeships

Apprentices work towards work-based learning such as a **Level 3** Competence Qualification, Functional Skills and, in most cases, a relevant knowledge-based qualification. To date we have had only employed one person at this level.

7.3 - Higher Apprenticeships

Apprentices work towards work-based learning qualifications such as a **Level 4** Competence Qualification, Functional Skills and, in some cases, a knowledge-based qualification such as a Foundation Degree.

Training and Employment

8. As Apprenticeships are work-based training programmes, most of the training is 'on the job' – at our premises. The rest can be provided by a local college or by a specialist learning provider, or we can deliver everything ourselves. Whichever route is chosen it essential that this element is researched and included in any proposal to employ an apprentice, without a training element there is no apprentice. This research can be undertaken by the manager wishing to employ an apprentice, but will normally be conducted by or in consultation with the Learning and Development Officer.
9. All new apprentices are provided with an induction into their role and are given on-the-job training. Employment must be for at least 30 hours per week and Ashford's apprentices are normally employed for 37 hours per week except in the case of an apprentice in Customer Services who work 35 hours per week. This is mainly due to the shift pattern worked in that department.

Funding

10. Apprenticeship funding is available from the National Apprenticeship Service. The size of the contribution varies depending on the sector and the age of the candidate. If the apprentice is aged 16–18 years old, we will receive 100 per cent of the cost of the training; if they are 19-24 years old, we will receive up to 50 per cent; if they are 25 years old or over we may only get a contribution depending on the sector and area in which we operate.

11. This is paid directly to the organisation that provides and supports the Apprenticeship; in most cases this will be a learning provider. To date Ashford Borough Council has been provided with around £13,200 of funding towards the training of apprentices. In addition our contribution towards funding has been around £1,400 which covers 50% or a contribution towards the training costs for two apprentices who are over 18 years of age.
12. Ashford Borough Council currently uses three different training providers which are:
 - K College (Ashford Campus)
 - Key Training (Folkestone)
 - Centre for Housing & Support

Apprentices Minimum Wage

(Not to be confused with National Minimum Wage)

13. A new National Minimum Wage for apprentices was introduced on **1 October 2011**. The wage applies to:
 - All apprentices aged under 19;
 - Apprentices aged 19 or over in the first year of their Apprenticeship.
14. The apprentice minimum wage is currently **£2.60** per hour (**£96.20 per week**) and applies to time working, plus time spent training that is part of the Apprenticeship. Employers are free to pay above the new wage and many do so, Ashford Borough Council currently pays **£105.00** per week, but employers must ensure they are paying at least the minimum apprentice wage. The annual salary of an apprentice is £5,460,
15. Many employers tend to pay more as the apprentices develop their skills. Research has found that the average apprentice takes home around **£170** per week.
16. Like most other employees, employed apprentices have a statutory entitlement 28 days' paid holiday inclusive of bank holidays per year. We currently provide 22 days plus Bank Holidays = 30days.
17. If we choose to start an apprentice on a higher wage, we must continue to pay that for the remainder of the training or until the apprentice becomes eligible for the full national minimum wage appropriate to their age i.e. 19 years of age or over, or completed first year of apprenticeship.
18. By comparison the National Minimum Wage is:
 - **£3.68** per hour - the 16-17 rate for workers above school leaving age but under 18
 - **£4.98** per hour - the 18-20 rate
 - **£6.08** per hour - the main rate for workers aged 21 and over

Note: ABC currently has one apprentice who will be entitled to £6.08 per hour from the 7th November 2012.

Recruitment

19. Recruitment of apprentices is undertaken using one of two methods: the first is through our normal recruitment process and the second uses the facilities of a local college.

19.1 Normal Recruitment

- Manager will identify a position suitable for an apprentice.
- Manager will seek MT approval
- Position will be advertised externally via the Internet, Job Centre and other local media.
- Applicants will be shortlisted and invited to an interview.
- Successful applicant will be offered a position.
- Training programme organised via suitable provider, possibly local college.

19.2 Local College

- Manager will identify a position suitable for an apprentice.
- Manager will seek MT approval
- Local college will be approached to put forward suitable candidates for interview, saving advertising costs.
- Applicants will be shortlisted and invited to an interview.
- Successful applicant will be offered a position.
- Training programme organised by college.

Promotion

20. Promotion of Ashford Borough Council scheme is achieved in a number of ways:
- Ashford Borough Council 's logo is included in the Roll of Honour of the Apprenticeships website
<http://www.apprenticeships.org.uk/Employers/Roll-of-Honour.aspx>
 - The Apprenticeships logo can be included on all relevant documentation.
 - Apprenticeship Employer Certificate. The certificate recognises businesses for their commitment and support to Apprenticeships – and ensures their customers do too.
 - Local advertising in conjunction with recruitment campaigns.

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