

REPORT TO	ON
CABINET	16 October 2019



TITLE	PORTFOLIO	REPORT OF
Apprentice Factory Development Plan Update	Cabinet Member for Planning, Regeneration and City Deal	Director of Planning and Property

Is this report a <b>KEY DECISION</b> (i.e. more than £100,000 or impacting on more than 2 Borough wards?)	<b>Yes</b>
Is this report on the <b>Statutory Cabinet Forward Plan</b> ?	<b>Yes</b>
Is the request outside the policy and budgetary framework and therefore subject to confirmation at full Council?	<b>No</b>
Is this report confidential?	<b>No</b>

## PURPOSE OF THE REPORT

1. The Apprentice Factory is a project within the Corporate Plan 2018 – 2023. This report provides members with background information, an updated position and future proposals for the Apprentice Factory project and how this assists with implementation of Employment and Skills Plans coming forward through the planning process.
2. This report should be read in conjunction with the attached development programme, which sets out how Apprentice Factory supports economic growth and skills development within the council and across the borough.

## PORTFOLIO RECOMMENDATIONS

3. Cabinet are asked to note the updated project plans contained within the report, which have an additional focus on assisting harder to reach people.

## REASONS FOR THE DECISION

4. The Apprentice Factory project is included within the Corporate Plan 2018 – 2023. Cabinet are asked to note the updated project plans, which have an additional focus on harder to reach people, and for their views on any additional actions to ensure that the Apprentice Factory project is aligned with the revised Corporate Plan.

## CORPORATE PRIORITIES

5. The report relates to the following corporate priorities:

Excellence and Financial Sustainability	
Health and Wellbeing	

Place	✓
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Projects relating to People in the Corporate Plan:

People	✓
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## BACKGROUND TO THE REPORT

1. The introduction and implementation of the Apprentice Levy in May 2017 marked a turning point in the history of Modern Apprenticeships in the UK. By introducing the Levy the government hopes to inspire employers to either expand existing or introduce new apprenticeship programmes.
2. Apprenticeships are now available to everyone regardless of age and previous qualifications. Apprenticeships can be used as a route into employment and as a route for re-training or up-skilling. People can undertake an apprenticeship even if they already hold qualifications provided they wish to up-skill by studying at a higher level or change skills by studying a different qualification.
3. Apprenticeships are now available from level 2 to level 7 (Master's degree level). They offer a job with fully funded training (incurring no tuition fees), which makes them accessible to everyone. People can progress their careers through apprenticeships at any level, gaining work experience and being paid while they learn.
4. The range of apprenticeship standards (occupations) available has expanded considerably and now includes teaching, nursing, digital, policing, law and many others.
5. A target of 3 million apprenticeships has been set during the current parliament. However, the number of apprenticeship starts has reduced nationally following the introduction of the funding changes.
6. In November 2017, the government published its Industrial Strategy White Paper, setting out an ambitious plan for jobs and industry. One of the key issues it identifies is the need for better routes into work and training, boosting the economy with skills fit for the future.
7. The Local Government Association (LGA) has published a series of 'Work Local' reports between June 2017 and June 2019. They set out a vision for employment and skills. The reports conclude that the current skills and employment system is fragmented, lacks coherence and is failing those most in need of support to help them gain skills, access employment and escape poverty.
8. Careers, Employment and Skills are funded nationally. There are twenty employment and budget streams managed by eight different government departments, spending more than £10 billion a year. However, the LGA considers they often fail to meet local need, address economic and social challenges, or make a decisive impact on outcomes.
9. There is currently a gap in provision of local, impartial careers information, advice and guidance. There is a need for dedicated support, tailored to the needs of our local residents, especially the most vulnerable, to help everyone access jobs, training and career development opportunities.
10. The emergence of T-Levels in 2020 means that we have to start planning now to offer dedicated local support so young people have a coherent picture of locally available options (A-levels, T-levels, apprenticeships) and that T-level reforms benefit our local communities. Runshaw College and Newman College have been selected to pilot T-Levels from 2020.

## **PROPOSALS (e.g. RATIONALE, DETAIL, FINANCIAL, PROCUREMENT)**

- 11.** Councils working with local businesses and partners know their areas and residents. They understand the current and future skills of their local economies and residents, and the support required for sustainable employment. All local areas want to build strong, resilient economies where residents contribute to, and benefit from growth. Fundamental to achieving this is a steady supply of skills and jobs, encouragement of local businesses and effective support to help all people get on in life regardless of their circumstances.
- 12.** The Apprentice Factory project aims to make sure that job opportunities are available for everyone. Developing a simplified, targeted, local approach will help us to support those in need to eliminate barriers they may face to accessing sustainable employment.
- 13.** In its most recent assessment of skills shortages facing the economy, the UK Commission for Employment & Skills (UKCES) found 19% of employers now have at least one unfilled skills shortage related vacancy, which is up from 15% the last time the survey was done in 2013. Overall it found 22% of all job vacancies are a result of a skills shortage. The Apprentice Factory project aims to make sure that people are equipped with the appropriate skills and have the support they need to find and access the available jobs.
- 14.** The UKCES finding has chimed with what many employers say, that they have been suffering for years from the poor work-readiness of university and college graduates with little or no business experience. In a particular scathing government report, a staggering 52% of graduate employers said that 'none' or 'few' of the candidates they saw were work-ready. The Apprentice Factory Project also aims to address this gap in the work-readiness of job-seekers by promoting key employability skills so people are prepared to access work.
- 15.** Local areas are now to be allowed to pool and redistribute unspent Levy contributions. Our ambition is for the Council to coordinate and influence how unspent levy funds are used locally, including delivery of pre-apprenticeship training and delivering work-ready programmes.
- 16.** One of the key achievements of the Apprentice Factory internally in phase 1 is the introduction of degree apprenticeships, which have supported our own employees into higher level jobs, helping them develop their careers. The government currently funds 95% of apprentice training costs, this includes funding for undergraduate (level 6) and Masters (level 7) degree qualifications.
- 17.** Successful activities delivered to date by the Apprentice Factory include:
  - All the apprentices in phase 1 have passed their exams, achieving nationally recognised qualifications, which will help them take the next step in their careers.
  - The Council has exceeded the national public sector organisation apprenticeship target of 2.3%, being the highest performing in Lancashire.
  - A workshop with CITB training providers to support construction skills;
  - A Technical Education event in partnership with Runshaw College held during National Careers Week;
  - Hosting the 'careers café', delivering impartial information, advice and guidance at the Lancashire Apprenticeship Expo, which had 2,000 plus attendees;
  - Google Digital Garage to deliver digital skills training for businesses, in partnership with LEP Skills Hub;
  - South Ribble Careers Fest in June, which saw hundreds of attendees.
  - Recruitment and Jobs Fair in partnership with Jobcentre Plus, offering opportunities for those made redundant or seeking work to meet with local employers (with job

- vacancies), access advice on self-employment, create or update their CV, access Universal Credit and find apprenticeship opportunities.
18. The vision for phase 2 of Apprentice Factory is to coordinate external activity, access funding and deliver a joined-up service bringing together impartial advice and guidance, employment, skills, apprenticeships and support for individuals and employers.
  19. The updated proposals extend the project to add an increased focus on helping people who are harder to reach and may require additional support to access employment. This will include working with local schools, colleges and other partners to help people who are at risk of becoming NEET (Not in Employment, Education or Training).
  20. The ambition is to bid for funding and to draw partner resources together to create co-ordinated, prioritised local delivery supporting those most in need and avoiding duplication.
  21. The following are proposed key deliverables within phase 2:
    - Working with key stakeholders, to create the 'Apprentice Factory Engine Room' which will act as an impartial governing body for career development activity within South Ribble.
    - Prevent unspent local, Apprentice Levy funds being returned to the treasury by acting as a central co-ordinating body to attract and invest unspent levy funds back into the local community to create more apprenticeships.
    - Expand the remit of the Apprentice Factory project so that we are able to support people to access job opportunities in hard-to-fill key roles, such as care, medical, nursing and midwifery occupations.
    - Establish permanent and temporary advice hubs in locations where there is high footfall, making information easily accessible.

## **CONSULTATION CARRIED OUT AND OUTCOME OF CONSULTATION**

22. Consultation has been carried out both externally and internally with the relevant partners.
23. Discussions with businesses on an individual and sector basis have identified that there are barriers to creating apprenticeships, which include lack of time to manage the process, multiple approaches by competing training organisations resulting in a confused picture, lack of awareness of the costs, funding streams and availability of suitable apprenticeship training.
24. A company survey was carried out in South Ribble during 2017 to inform council priorities. Of 300 companies surveyed, '*promoting apprenticeships*' to increase the skill levels of local workers was the clear top priority for the Council investment, being ranked first amongst 41% of all companies.
25. Relevant policies and practice from the Local Development Framework have been built into the development plans for Apprentice Factory. This includes the Central Lancashire Employment and Skills Supplementary Planning Document, which requires employment and skills plans to be set out in advance for new development sites and the Employment and Skills Statement and plans for the Cuerden Strategic Site.
26. Discussions and consultation briefings with the Lancashire Enterprise Partnership (LEP) Skills Hub are ongoing. The LEP are fully supportive of the South Ribble Apprentice Factory model as this will assist with the wider skills development and careers support across Lancashire. It also address gaps in provision within South Ribble and will

contribute to delivery of both the county wide skills and apprenticeship targets and the specific needs of residents within South Ribble.

27. Two apprentices have recently been recruited to support current delivery of this area of work. However, should the demand increase, further resources may be required.

#### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

28. The option to do nothing was considered. However when the existing skills provision and availability of careers advice was mapped, it became obvious that there are gaps in support for local people which need to be addressed.

#### **FINANCIAL IMPLICATIONS**

29. There are no new financial implications relating to this report because it is an update on the existing, approved project.

#### **LEGAL IMPLICATIONS**

30. None relating to this report.

#### **AIR QUALITY IMPLICATIONS**

31. None relating to this report.

#### **HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT IMPLICATIONS**

32. None relating to this report.

#### **ICT/TECHNOLOGY IMPLICATIONS**

33. None relating to this report.

#### **PROPERTY AND ASSET MANAGEMENT IMPLICATIONS**

34. None relating to this report.

#### **RISK MANAGEMENT**

35. None relating to this report.

#### **EQUALITY AND DIVERSITY IMPACT**

36. An initial screening equality impact assessment has been undertaken. This project is designed to be fully inclusive and is delivered within the council's Equality Framework guidance.

#### **RELEVANT DIRECTORS RECOMMENDATIONS**

37. The Apprentice Factory project is included within the Corporate Plan 2018 – 2023. Cabinet are asked to note the updated project plans and for their views on any additional actions to ensure that the Apprentice Factory project is aligned with the revised Corporate Plan.

## COMMENTS OF THE STATUTORY FINANCE OFFICER

38. There is budgetary provision for the Apprentice Factory programme of work within the approved budget.

## COMMENTS OF THE MONITORING OFFICER

39. There are no issues that need to be raised in relation to this report.

## APPENDICES

40. Apprentice Factory – Upskilling South Ribble

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