

**For General Release**

<b>REPORT TO:</b>	<b>CABINET 23<sup>rd</sup> March 2020</b>
<b>SUBJECT:</b>	<b>Investing in Our Future – Apprenticeship Plan</b>
<b>LEAD OFFICER:</b>	<b>Stephen Tate, Director of Growth, Employment and Regeneration</b>
<b>CABINET MEMBER:</b>	<b>Councillor Manju Shahul - Hameed, Cabinet Member for Economy &amp; Jobs</b>
<b>WARDS:</b>	<b>All</b>

**CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON**

As a Council we are dedicated to providing our residents with the best professional services. Committed to delivering excellence means that we need to invest in our workforce and support the enablement of our business community to grow local talent. It is imperative that we create employment pathways that provide the skills we need as an employer to support the needs of our community. This supports our ambition to create a fairer society that creates opportunity for all.

The apprenticeship plan has been developed in partnership with internal and external stakeholders and is one of the legacies of the successful 100 in 100 campaign outlined in the report below.

This report is particularly relevant in relation to the following Corporate Plan priorities:

**Corporate Plan for Croydon 2018-2022**

- **Our children and young people thrive and reach their full potential:** The corporate plan outlines the Council’s ambition to deliver ‘Chose Your Future’ a campaign to raise young people’s aspirations. Access to good quality and varied apprenticeship opportunities is an important part of this activity.
- **People live long, healthy, happy and independent lives and everybody has the opportunity to work and build their career:** The Council’s apprenticeship programme supports residents of all ages to prepare for, find and keep good jobs.
- **Business moves here and invests and we grow our existing businesses:** Ensuring businesses have access to the right talent will lead to sustainable economic growth and increase economic prosperity across Croydon. This will increase the number of successful businesses and “good” jobs in the borough.

**The Croydon Promise – Growth for All, Community Strategy and Economic Strategy**

- Commitment to residents, investors, developers and businesses that the council will do all it can to deliver growth which is inclusive and sustainable – for all. This report sets out how we will support Croydon residents into employment, raise the skills of the workforce so that they can access the new jobs being created

across the borough, ensure that Croydon is a place to work, learn and live and a place of opportunity for everyone.

### **FINANCIAL IMPACT**

In April 2017, the government implemented the provisions of the 2016 Finance Act which set out a new way of funding apprenticeships. Instead of using central government funds paid directly to training providers, employers with a salary bill of more than 3 million are now taxed by HMRC through PAYE at rate of 0.5%. The paybill is based on total employee earnings subject to Class 1 secondary NICs and each employer receives one annual allowance of £15,000 to offset against their levy payment.

The funding is ring fenced specifically for the costs of the apprenticeship training and is accessed via the Digital Apprenticeship Service. Employers must register their account to make payments to training providers.

The rationale for the change is to give employers more purchasing power and therefore influence over the types and quality of apprenticeships to meet their skill gaps and workforce competencies.

At the same time, the government introduced the Institute of Apprenticeships which serves to oversee the move away from apprenticeships frameworks towards specific industry apprenticeship standards. The intention is to give employers more influence over the content of apprenticeship programmes and create standards which are job specific.

The Government's policy to levy organisations with a wage bill over £3million, means the Council must ensure that apprenticeship opportunities are created in order to minimise the risk of levy funding being subsumed back into a central pot when it is unspent. Loss of the levy would have a negative financial impact on the Council, local businesses and redirect resource for residents elsewhere.

More information can be found in the finance section of this report.

### **FORWARD PLAN KEY DECISION REFERENCE NO.**

This is not a key decision.

The Leader of the Council has delegated to the Cabinet, the power to make the decisions set out in the recommendations below.

## **1. RECOMMENDATIONS**

The Cabinet is recommended to:

- 1.1 Note the success of the 100in100 campaign which, through the Croydon Apprenticeship Academy, delivered 122 new apprenticeships and more than 40 upskilling apprenticeships across Croydon between 5th August and 20th December 2019 in a wide range of industry sectors.
- 1.2 Note the priority apprenticeship programmes which build on the success of the 100in100 campaign and develop the role of the Croydon Apprenticeship Academy.
- 1.3 Approve the internal Apprenticeship plan 2020 – 2022, Appendix 1 to this report, which aims to deliver against our statutory duty to deliver apprenticeships and supports the new corporate Workforce Strategy.

## **2. EXECUTIVE SUMMARY**

- 2.1 The purpose of this report is to showcase how we *are* and *can* help to ensure that all of our residents have the *opportunity to work and build their career and our children and young people thrive and reach their full potential* through good quality and varied apprenticeship opportunities.
- 2.2 The programme of activities set out in this report support the Mayors *Skills for Londoners Strategy* which sets out a vision to ensure that “Londoners, employers and businesses get the skills they need to succeed in a fair, inclusive society and thriving economy” and the South London Partnership *Skills for South Londoners Strategy* which recognises that London generates the largest apprenticeship levy contributions nationally, but with historically low levels of apprenticeships delivered in London, employers risk being unable to maximise the use of their levy contributions and deliver the skills London’s economy needs.
- 2.3 The report covers the success of the 100in100 campaign, a summary of the activities undertaken and the outcomes achieved, an overview of next steps to build on the momentum of the campaign and a new apprenticeship plan 2020-2022 for the Council’s internal apprenticeship scheme.

## **3 Introduction - Opportunities for All**

- 3.1 Croydon is in the middle of one of the largest transformation programmes in the UK. An unprecedented investment programme is bringing new exciting opportunities into the borough, Croydon is undergoing a metamorphosis that will

transform the economy into a modern European city that encourages innovation and enterprise and sets the culture of Croydon for the next few generations.

- 3.2 Croydon strengths are being extensively recognised. Croydon is a borough that has an emerging grass roots culture that supports music, art and performance, recently recognised by the Mayor's office who has supported Croydon's achievements by making Croydon the "London Borough of Culture 2023". A borough that has also been recognised as award winning. In 2019 Croydon was recognised as the best "Small Business Friendly London Borough," showing how Croydon places enterprise and innovation at the centre of activity.
- 3.3 However it is important not to be complacent. Croydon Council are keen to ensure that the borough's creativity and diversity, and its strength and resilience provides opportunities for all of our residents. It is this ambition that drives the Council to look to the future of skills opportunities of which apprenticeships is seen as a strong part of delivering the skills needed for an inclusive, successful community.
- 3.4 The growth of Croydon can only be measured as a success if there is an increase in wealth for our residents. Croydon Council's ambition for the growth of the borough is embedded into providing employment opportunities for all of our residents. These opportunities must provide clear employment and skills pathways into London living wage jobs so that we reduce in work poverty and create the environment for a better, healthier and more sustainable future for Croydon residents regardless of socio economic background, ensuring an open and fair economy.
- 3.5 A new report from London Councils and Impetus, "The Employment Gap in London" examines the youth jobs gap in London. It's findings show that young people from disadvantaged backgrounds in London are not getting the support they need to succeed in the capital's thriving job market. According to the research, 25% of London's young people are low-qualified and London has the lowest take up of apprenticeships of any region. Croydon Council are keen to ensure that Croydon residents from all backgrounds prosper from Croydon's growing economy.
- 3.6 This research shows that too many young people are falling through the gaps in London's post-16 provision:
  - A lack of skills provision matched to young people's diverse needs, strengths, aspirations and learning styles has left almost half of young Londoners without a level-3 qualification at age 18. The system needs to deliver an increased variety of vocational and technical courses and learning routes to enable all young Londoners to fulfil their potential.
  - Too many young people are not getting the right careers information, advice and guidance, which is vital in helping them navigate options for learning and work. Careers services are disjointed and inconsistent, with different overlapping programmes and gaps in provision. The careers

system needs more investment and more comprehensive delivery to ensure all young people (including those who are NEET and over 19) can access timely, effective careers advice and guidance.

- Apprenticeships are a great way to earn and learn. However, the introduction of the Apprenticeship Levy has significantly reduced the number of entry-level opportunities into work, with a 45 per cent decrease in intermediate apprenticeship starts nationally between 2016/17 and 2018/19.
- 17 per cent of London's NEET population are "doubly disadvantaged" being from disadvantaged backgrounds and with low qualification levels. This group of young people face multiple barriers to getting a job and need targeted wrap-around support services to progress.

3.7 The report emphasises that London needs investment in skills provision and a local, holistic approach. With this in mind Croydon Council continues to build on their success in seeking external funding to facilitate the delivery of quality training to residents. Croydon has already created a local network of quality providers and stakeholders from the 100in100 campaign (outlined below), which is providing a locality based solution to delivering quality apprenticeships and training to Croydon's growing population.

3.8 The population in Croydon has seen an 8% growth, including an 11% increase in our under-16s and a 20% increase in 65s; the borough is becoming more and more diverse, with BAME residents now making up over half of Croydon's population. We know that Croydon's population is going to continue to grow at an even more-accelerated rate over the next 20 years. It is therefore vital that Croydon Council, education providers and businesses work together to ensure skill development across the borough so that no resident is left behind.

3.9 Croydon Council's approach to the development of skills across the borough and the transformation of Croydon is reflected in the Economic Growth Strategy. The Council's [Economic Strategy 2019-2024](#), sets out the following four key priorities:

- To create places where businesses, investors and residents want to live, trade and invest
- To create a business environment for growth
- To invest in ideas that can deliver real change for Croydon
- To invest in our people

This strategic approach compliments the Mayor of London's Good Growth principles, which support growth on the basis of its potential to improve the health and quality of life of all Londoners, to reduce inequalities and to make the city a better place to live, work and visit. It uses the opportunities of a growing city to plan for a better future and good sustainable growth that works for everyone, using London's strengths to overcome its weaknesses. The key principles of Good Growth are:

- [Building strong and inclusive communities](#)

- [Growing a good economy](#)
- [Increasing efficiency and resilience](#)

#### **4. Sustainability**

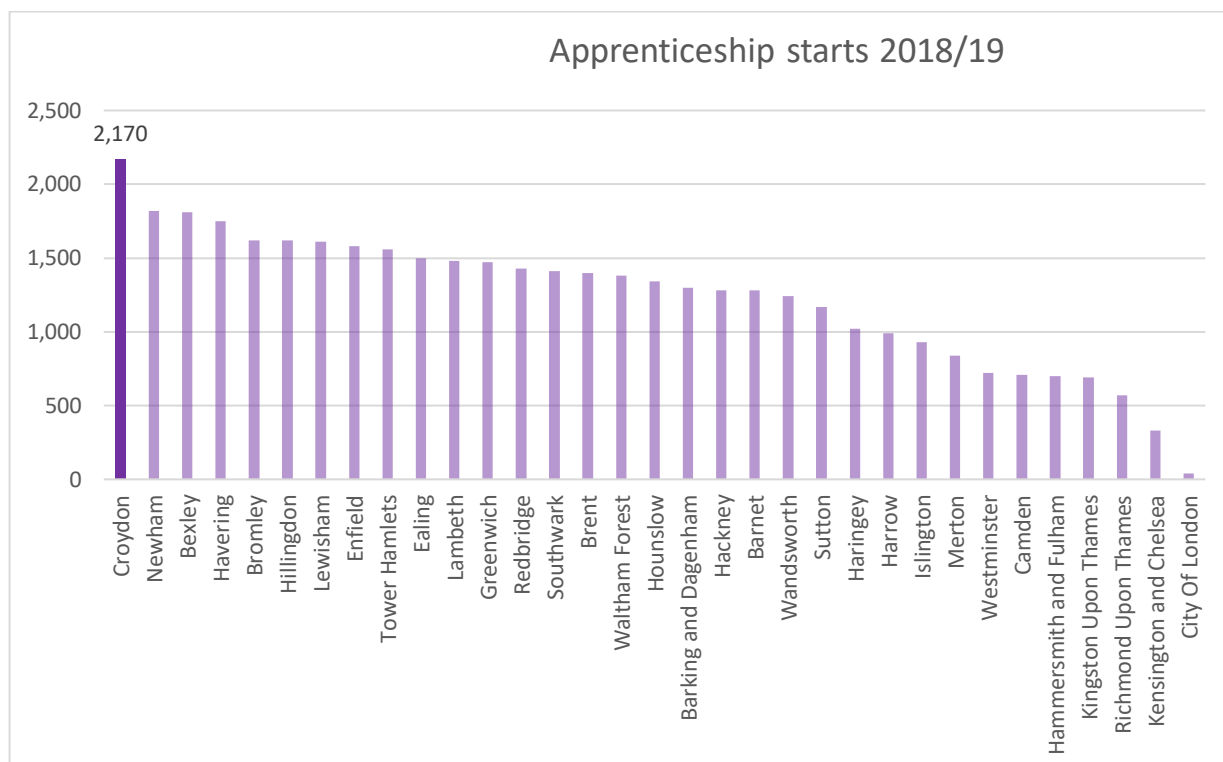
- 4.1 Following the Council's recent declaration of a Climate Emergency – we are committed to responding to the challenges of the climate crisis and ensuring that the transformation of Croydon is sustainable, ensuring a secure future for generations to come.
- 4.2 Plans to recruit and develop local staff will have an impact on reducing or mitigating future climate change. In particular encouraging a culture that supports sustainable living. In developing the talents and aspirations of our residents, businesses and communities we are making Croydon an exciting place to live, work and spend time in. Enabling access to the development of skills and employment pathways of our residents will support the development and growth of our businesses (and internally our own Council staff). This will create an employ and work local culture that will inevitably reduce our borough's carbon footprint.
- 4.3 Croydon Council understands the potential of the emerging green economy and its importance to addressing the climate change emergency. With this in mind the Council will look to support the jobs created by the green economy. This will be achieved by working in partnership with businesses and education providers through the Croydon Apprenticeship Academy to identify potential funding opportunities and to share information that will support future green job growth within the borough.

#### **5. Why are Apprenticeships important?**

- 5.1 Apprenticeships are part of a wider post-16 skills and education framework which includes further education, technical education, higher education and adult education. Each has a role to play in ensuring that residents, employers and businesses get the skills they need to succeed in a fair, inclusive society and thriving economy.
- 5.2 The breadth of choice is important so that residents are able to choose the level and delivery type that suits their needs but around the world apprenticeships have long been recognised as a crucial way to develop the skills needed by employers. Apprenticeships support vocational on the job learning supported by class based/online learning.
- 5.3 Whilst higher or tertiary education leading to an academic degree is often seen as the pinnacle of the education system, apprenticeships are increasingly being seen as a credible alternative for brighter students. With more than 186 apprenticeship standards level 6 or above either published or in development, the number of degree level apprenticeships has increased dramatically. Young people are increasingly seeing the benefits of being job ready and debt free at the start of their adult lives, making them highly competitive ahead of their

counterparts in higher education. Croydon Council will continue to strengthen the reputation and promotion of higher degree level apprenticeships by working with the Apprenticeship Academy to promote case studies and opportunities to the residents and businesses of Croydon.

- 5.4 Further education is usually targeted at young people leaving secondary education and offers a much wider range of courses than at a school sixth form ranging from basic English and Maths to Higher National Diplomas (HNDs). Students often have a much wider choice of funded vocational subjects and industries in a classroom and/or simulated environment which is less daunting for the students and more like the school environment they've been used to. However, as more and more apprenticeship standards become available, colleges are increasingly promoting and strengthening their apprenticeship offer and seeing this as a viable way of ensuring good job outcomes for students at the end of their intermediate level courses.
- 5.5 The importance of apprenticeships in delivering key skills in the economy is recognised by both British Chambers and FSB who see apprenticeships as an important tool in providing their business members with the skilled staff that they need to grow their enterprises. Whilst levy issues remain problematic and both FSB and British Chambers are keen for reform of the levy system the fundamentals of in work learning remains at the heart of their education policies.
- 5.6 The Croydon Employment and Skills Action Plan 2016 – 2020 sets out the borough's priorities for delivering employment and skills activities for local residents and responding to business's needs. This report to cabinet highlights the contribution apprenticeship programmes are making to deliver the quality career routes needed to enter employment.
- 5.7 A fit for purpose apprenticeship system, combining work with study, can build a skilled and job ready workforce, particularly for young people who do not have adequate experience of work or older people looking to change or improve their careers. It is especially useful for people who are lacking in the qualifications required for their preferred job role or want a supportive role to re-enter the work place after a break from employment.
- 5.8 Government research shows that 86% of employers believe apprenticeships develop skills relevant to their organisation and 78% reported improved productivity. 90% of apprentices stay on in their place of work after completing an apprenticeship and on average, achieving a level 2 or level 3 apprenticeship, boosts earnings by 11% and 16% respectively.
- 5.9 Croydon is the most successful borough in London in terms of apprenticeship starts. In 2017/18, 1910 apprenticeship opportunities were delivered across the public, private and voluntary sector. Against the general downward turn in delivery across most London Boroughs, 260 more apprenticeship starts were recorded for Croydon in 2018/19 than the previous year, equating to a 14% increase.



## 6. A 100 in 100 apprenticeship Success

### The 100 in 100 Campaign – Creating A Legacy for Croydon

- 6.1 Launched on ChooseDayTuesday in March 2019, the council launched the *100in100 campaign* which sought to deliver 100 apprenticeship opportunities for local residents with employers across the borough in the 100 working days between 5th August and 20th December 2019.
- 6.2 Under the umbrella of the *Choose Your Future Campaign*, a programme of activities was delivered by the Croydon Apprenticeship Academy – a one stop partnership with Croydon Works, training providers and the council to deliver quality information and guidance to residents seeking to become apprentices and businesses looking to recruit.
- 6.3 The campaign created more than 120 new apprenticeship opportunities and more than 40 upskilling apprenticeships (existing staff retraining through apprenticeship standards) across a breadth of apprenticeship standards. A summary of the training providers and employers that helped deliver the campaign can be found in **Appendix 1**.
- 6.4 The campaign was hugely successful in raising awareness with residents and potential candidates, engaging with businesses and encouraging a wide variety of sectors in to develop opportunities, creating a pipeline of good quality vacancies filled with excellent candidates.
- 6.5 The campaign was marketed and promoted at a number of events across the period. Highlights include: - Croydon Sustainability Summit in June; the Good



Employer Charter rooftop BBQ and the Young Mayor's Careers event in July; a number of Clock Tower Atrium Roadshows in August; the Croydon Economic Summit and New Addington Locality Plan Launch at the Goldcrest Youth Centre in September; Croydon Works and DWP Recruitment Fair at Centrale, BME Forum and Business Live Expo in October; Develop Croydon 10 year anniversary event in November. Regular social media posts and fliers were distributed across the campaign and 32 JC Decaux electronic posters were displayed across the borough.

- 6.6 The success of the campaign was marked with a 100in100 celebration event which took place on 4th February 2020 at Croydon College to coincide with National Apprenticeship Week 3 to 7 February. The event was attended by the Leader, Portfolio holder and apprentices that secured employment during the campaign along with their employers and local training providers. Employers and training providers were presented with certificates in recognition of their commitment and contribution to developing staff through apprenticeships.
- 6.7 Buoyed by the successful 100in100 campaign and the general upward turn in delivery of apprenticeship starts, the campaign continues in Croydon to ensure that apprenticeships are seen as a credible career route for our residents.
- 6.8 The following section of the report sets out some of the key workstreams to support our ambitions to develop the platform of collegiate partnership working through the Croydon Apprenticeship Academy and work to create the conditions to continue to grow the number of apprenticeship opportunities.

## 7. Future Legacy

- 7.1 The contacts and businesses that were made during the 100in100 campaign ensured that the Council could look at radical ways of using the levy to support local Croydon businesses. The Council made use of the council's ability to transfer 25% of its unspent levy funding to contribute up to 100% of the apprenticeship training costs for eligible small businesses in the borough. Croydon was hugely successful and has been used as a case study by the GLA as part of their launch of the London Progression Collaboration alongside Pearson, City University and the London Boroughs of Hounslow and Camden. Whilst there is a growing number of Councils looking at levy spend. Croydon is one of only a few Councils across the UK who have managed to implement and deliver a system that works to support local businesses and residents whilst also working with multiple providers. The Council has spent £125,362.82 in 2019/2020 to support 22 residents into 11 businesses.
- 7.2 Following the programme the Council in partnership with Croydon College, submitted and won a bid for £393K of GLA funding from the **Apprenticeship for Londoners Fund** for a project which will support employers to recruit apprentices in London in key sectors such as creative, digital and health and social care. One of only two successful pilots in the capital, this is a major legacy of the campaign and an opportunity to further develop the role of the Croydon Apprenticeship Academy and support the 2023 borough of culture programme.

- 7.3 On 2 October 2019 the GLA announced the launch of the second round of Mayors Construction Academy (MCA) hub funding with up to £1.6m revenue funding available to improve construction skills coordination across London, to help ensure that training is employer-led and that learners can gain the relevant skills they need to access current and future construction sector vacancies. The South London Partnership, on behalf of the five boroughs of Croydon, Sutton, Kingston, Richmond (including Wandsworth) and Merton submitted a bid for £500K and the application was successful.

The funding will support developers across South London to meet their workforce needs by providing additional capacity (strategic and operational) to broker and deliver suitable training programmes and to create a pipeline of residents, ready to fulfil job roles and apprenticeships in construction and other associated sectors. There is a strong focus on innovative ideas to attract women into the sector and to increase the number of BAME candidates. The project will build on the excellent work of Croydon Works, adding additional capacity and using their job brokerage expertise to enhance existing and future construction programmes and wider employment pathway support.

- 7.4 Working with Croydon Works we are helping to shape and influence the policy and delivery around section 106 by ensuring that developers are delivering their section 106 commitments e.g. providing 1 apprenticeship for every 10 jobs on site. This is monitored through their Local Employment Training Strategy which sets out how developers intend to recruit local people into job opportunities and support local businesses by using local supply chains.

- 7.5 The true legacy of the 100 in 100 campaign lays in the strength of the relationships that have been formed with businesses and providers. These partners and stakeholders have worked together to provide an exciting ecosystem of apprenticeship opportunities that really make a difference to residents futures. Following the campaign an exciting new partnership has formed, the Croydon Care Academy. The Academy is comprised of representatives from a broad range of Health and Social Care employers and sector professionals and was formed in January 2020 to bring employers and training providers from the health and social care sector together to address recruitment needs.

The Academy will work with the sector to improve skills and employment outcomes for residents, employers and training providers by creating innovative mechanisms to attract residents into the industry. And employers and training providers will work together to develop a fit for purpose curriculum so that students are job ready and have the right skills for health and social care roles.

- 7.6 Good careers guidance is critical for young people to make informed decisions about their future. The Council has developed a pre apprenticeship offer that residents can take into apprenticeships. This will include promotion of the *Employment Pathways in Croydon (EPIC)* service which introduces businesses to schools and colleges through a range of council, business and school-led activities such as careers fairs, work experience and employability workshops, to expose young people to the world of work.

- 7.7 The Council will also deliver the *school work experience programme* which helps young people in Croydon identify career pathways and experience the world of work by offering short work experience opportunities across a range of services within the council in June and July. The programme enables us to promote the different ways Croydon Council support local residents and the breadth of career opportunities available to young people.
- 7.8 In 2020 we will pilot a new scheme to extend the offer of routes into employment by piloting Extended Work Placements for Croydon residents attending two local colleges. In September 2020, the Government will launch T Levels, new courses which will follow GCSEs and will be equivalent to 3 A Levels. These 2-year courses have been developed in collaboration with employers and businesses so that the content meets the needs of industry and prepares students for work. T Levels will offer students a mixture of classroom learning and 'on-the-job' experience during an industry placement of at least 315 hours (approximately 45 days). They will provide the knowledge and experience needed to open the door into skilled employment, further study or a higher apprenticeship. The Council will lead by example to develop processes which can then be shared more widely with other Croydon employers.

## **8 Review of the current internal apprenticeship programme**

- 8.1 The rationale for the expansion of apprenticeship activity within the council is threefold. Firstly, the introduction of Government policy, including the apprenticeship target and apprenticeship levy, means we need to ensure that apprenticeships are created in order to minimise the risk of levy funding being lost to a central pot when it is unspent.
- 8.2 Secondly, a wide apprenticeship programme and a greater breadth of apprenticeship standards (there are currently more than 530 apprenticeship standards available) and greater depth (standards go from level 2 (GCSE) to level 8 (Masters) can offer clearer routes into work for residents.
- 8.3 Thirdly, a well-crafted apprenticeships programme can support the needs of the business by ensuring a talent pipeline of skilled workers. This includes the Council as an employer and ensuring we are able to succession plan for our own skills gaps and needs underpinning the new Workforce Strategy.
- 8.4 The Employment Pathways Programme recruited a dedicated Employment Pathways Co-ordinator in 2017, since that recruitment apprenticeship activity has increased.
- 8.5 The current Apprenticeship Programme is award winning having two accolades for recruitment, equality, diversity and management. (Employers Network for Equality and Inclusion (Apprenticeship Award) and Personnel Today (Apprenticeship Employer of the Year).
- 8.6 It has a dedicated Employment Pathways Co-ordinator who delivers two main pathway opportunities including: - recruit, develop and manage new

apprentices to the council through the Council's job brokerage service, Croydon Works and upskill existing members of staff through a Continuous Professional Development (CPD) process.

- 8.7 For both apprenticeship programmes, the Council takes a holistic approach offering support to managers, an induction programme for apprentices and on-going pastoral care. The wider offer of support to apprentices is similar to other exemplar London boroughs with employability support offered to apprentices as they come towards the end of their contract including access to the redeployment pool and mentoring and opportunities to act as ambassadors and to represent and speak at events.
- 8.8 In April 2019 the Council were proud to announce that all apprentices would be paid the London Living Wage and the breadth of apprenticeship pathways has doubled from 2017/18. **See Appendix 3** for more details on the breadth of apprenticeship standards delivered across the council.
- 8.9 Croydon Council are keen to embed the apprenticeship programme across the Council. Recruiting new apprentices gives the Council the opportunity to support residents, particularly young people and vulnerable or disadvantaged groups, and creates a pipeline of talented residents to enhance the Council's workforce and meet existing and emerging skill shortages. Furthermore, using the apprenticeship funding and training to support existing staff is a way to develop new skills, boost motivation and retain talented employees.
- 8.10 Cabinet is asked to approve the new apprenticeship plan 2020-2023 attached as **Appendix 1** which outlines the Council's new approach to creating apprenticeships within our workforce and sets out an Action Plan for the next 3 years. The Council's ambition is to provide good quality apprenticeships across a wide range of services and ensure clear pathways into employment and progression route opportunities.
- 8.11 Our vision is that ***“Apprenticeships within Croydon Council are valued and seen as high quality pathways to successful careers, they provide opportunities for new and existing employees to develop and they support the Council in meeting its current and future skills needs.”***

## **9 Equality and Fairness**

- 9.1 In 2018, 85% of new recruits to Croydon's 2018 intake were from BAME backgrounds, this compares to a UK wide figure of 11.2% of apprentice starts in 2016 to 2017.
- 9.2 In the same year, the average age was 20 years, nearly 10% were previously in care, 20% had additional learning needs or a disability, a tenth were lone parents.
- 9.3 We are committed to continuing to ensure that our apprenticeships are open and accessible to all residents in Croydon with processes and policies which do not disadvantage any of our residents and create a level playing field.

9.4 With this in mind, we will prioritise care leavers in 2020 and work with colleagues across services to develop a package of support for those interested in apprenticeships. This will include financial support, pre apprenticeship training and fit for purpose recruitment practices.

## 10 CONSULTATION

10.1 We developed the council apprenticeship plan through a number of consultation sessions. 4 Q&A/fact finding sessions took place at – John Ruskin College, Croydon College, Oasis Shirley Park School and a Youth Cabinet meeting. The participants in these focus groups ranged from 14 to 18 year old with approximately 60 young people taking part.

10.2 The key findings of the consultation included: -

- Lack of apprenticeship variety – many were choosing degrees as their options were not available as apprenticeships. *The council has now created a number of higher level apprenticeship opportunities.*
- Information about apprenticeship not easily accessible – many wanted a mythbusting type session as they didn't have consistent information on apprenticeships. *Through the 100in100 campaign the council has promoted apprenticeships more widely and participated in a number of events and roadshows.*
- Pay too low – The council has introduced the London Living Wage and is encouraging more employers to do so through the Good Employer Charter.
- Not enough high profile businesses offering apprenticeships – Wanted to see businesses they recognised and were more prestigious – *Through the 100 in 100 campaign, the council has had the opportunity to promote and reward local businesses for creating apprenticeship opportunities.*
- Vacancies not reaching candidates/lack of social media – *Vacancies are now more widely advertised on social media.*

10.3 The new apprenticeship plan has been consulted on in discussion with key strategic officers across the Council, the Future Place Board and with existing apprentices and training providers.

## 11 PRE DECISION SCRUTINY

11.1 The apprenticeship plan has been implemented and delivered as part of the workforce strategy which would have been previously been assessed through scrutiny.

## **12 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

- 12.1 The Apprenticeship Levy applies to employers in England who have an annual pay bill above £3m. The levy is charged at 0.5%. This means that if the Council wants to minimise the risk of levy funding being subsumed back into a central pot when it is unspent, apprenticeship opportunities need to be created.
- 12.2 Repayment of the levy could have a negative financial impact on the Council, local businesses and redirect resource for residents elsewhere.
- 12.3 The Council has two years to use the levy income received in each year, on a rolling basis. If that years income is not spent in the two years, then it is now required to be repaid. For 2019/2020, due to underspending the income, there is an estimated £317k which will need to be repaid from the 2017/2018 unspent levy of £705k.
- 12.4 In 2018/2019, the Council received £793k and in 2019/20 £820k and plans will need to be in place quickly to avoid losing the 2018/2019 amounts.
- 12.5 In order to minimise the losses to the Council, through the 100in100 campaign, we have initiated a successful programme of levy transfer (government allow 25% of the Council's unspent levy to be passported to SMEs.) This will make a significant contribution towards expenditure for 2020/2021 and will aid local economic growth and increase employment opportunities. The team has also increased the upskilling (CPD) offer to existing staff.
- 12.6 The most significant immediate issue for us is that there are difficulties in encouraging managers to create apprenticeship opportunities. This is mainly due to tighter budget constraints (recruitment control process) and the rise of apprenticeship salaries to the London Living Wage. Croydon Council are considering these constraints and will make further recommendations in due course.
- 12.7 **The effect of the decision**  
This decision will ensure that the levy will be effectively utilised by the Council and provide a pipeline for training and developing apprentices.
- 12.8 **Risks**  
There is the risk that the levy is lost by the Council where it is not spent. A review of the strategy's success will be needed at regular intervals to identify any risks to lost levy income, to enable any changes to approach in sufficient time.
- 12.9 **Options**  
No other options have been considered

Approved by Lisa Taylor, Director of Finance, Investment and Risk and S151 Officer

### **13 LEGAL CONSIDERATIONS**

- 13.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that there are no direct legal implications arising from the recommendations within this report. As projects are brought forward to support actions from the Apprenticeship Plan 2020-23, specific legal advice may be required as to their implementation and implications for the Council.

Approved by: Sandra Herbert Head of Litigation and Corporate Law on behalf of the Director of Law and Governance and Deputy Monitoring Officer

### **14 HUMAN RESOURCES IMPACT**

- 14.1 The proposed new apprenticeship plan will make a significant contribution to our new Workforce Strategy 2020 – 2023 which was published in January 2020. In particular to attracting, recruiting and retaining staff, improving workforce equality, diversity and inclusion and developing and growing outstanding leaders and managers.
- 14.2 There is no immediate HR impact from this report other than proposals for recruitment and retention of staff and this will be managed under the Council's policies and procedures.

Approved by Jennifer Sankar, Head of HR Place & Interim Head of HR Resources, for and on behalf of Sue Moorman, Director of HR.

### **15 EQUALITIES IMPACT**

- 15.1 The overall implementation of the proposals in this report will have a positive impact on social and economic inequality by increasing the supply of jobs and promoting routes into employment thus enabling residents to move out of poverty and into financial independence.
- 15.2 We will ensure this process is inclusive and accessible to all residents including groups that share protected characteristics. Specific projects, programmes and work streams will be subject to equality analysis to assess the possible impact of proposed changes on customer/community groups who share a "protected characteristic" and mitigate adverse risk to customer/community groups who share a "protected characteristic".
- 15.3 An equality analysis was undertaken to ascertain the potential impact on groups that share protected characteristics. This found that a fit for purpose apprenticeship programme, combining work with study, can build a skilled and job ready workforce, particularly for young people who do not have adequate experience of work, are lacking in the qualifications required for their preferred job role or want a supportive role to re-enter the work place after a break from employment.

We are therefore committed to continuing to ensure that council apprenticeships are open and accessible to all residents in Croydon with processes and policies which do not disadvantage any of our residents and create a level playing field and have a target of at least 25% (9 places) of the 35 annual intake having a protected characteristic.

We will pay particular attention to creating viable routes into apprenticeships for care leavers, NEETs, young people with an Education Health Care Plan (EHCP) and residents with a health and/or disability.

We will consider the scope to create specific roles across the council which can support older residents and residents with a disability into an apprenticeship opportunity.

We will look to provide a package of support including pre-apprenticeship. We will also review our current processes and practices to ensure that they are fit for purpose and encourage people living with a disability to apply for all positions.

Given the increase in potential of apprenticeships being seen as a viable alternative to university and the growing numbers of existing staff keen to upskill and progress their careers, we will give consideration to developing the degree level apprenticeship offer across the Council.

15.4 The plan will help the council to achieve its equality objectives listed below;

- to increase the rate of employment for disabled people, young people, over 50s and lone parents who are furthest away from the labour market.
- to reduce the rate of child poverty especially in the six most deprived wards through paying the living wage. It will also support council priorities such as modern slavery.

Approved by Yvonne Okiyo, Equalities Manager.

## **16 ENVIRONMENTAL IMPACT**

16.1 There are no specific environmental impacts arising from the contents of this report

## **17 CRIME AND DISORDER REDUCTION IMPACT**

17.1 There are no specific crime and disorder issues arising from the contents of this report, however there is a positive correlation between increased or improved economic activity and a reduction in crime and disorder.



## **18 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION**

- 18.1 The proposed decision is the endorsement of the strategy. Adopting the strategy sets a clear vision and direction for the Councils activity in addressing succession planning and developing its own corporate apprenticeship scheme as well as ensuring that the levy is spent in supporting residents and the Councils corporate values.
- 18.2 The strategy puts Croydon residents and businesses at the heart of apprenticeship opportunities. It is believed that the key priorities will provide a platform for delivery that will contribute to the Councils priorities as set out in the Workforce Strategy.

## **19 OPTIONS CONSIDERED AND REJECTED**

- 19.1 Not to adopt the Strategy. Not adopting a strategy would mean that the Council does not have a strategic plan of how to deliver an internal apprenticeship programme. This could lead to confused delivery which does not maximise opportunities for Croydon residents and does not conform to inclusive or sustainable succession planning

## **20 DATA PROTECTION IMPLICATIONS**

### **20.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

No

### **20.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

Stephen Tate, Director of Growth Employment & Regeneration confirms there has been no personal data processed as part of this report

Approved by: Louise Edwards, Information Manager

---

**CONTACT OFFICER:** Carol Squires, Head of Economic Development  
07944 600228

### **APPENDICES TO THIS REPORT:**

Appendix 1: Apprenticeship Plan 2020-2023

Appendix 2: 100 in 100 Partners

Appendix 3: Apprenticeship Standards and Frameworks offered within the Council

**BACKGROUND PAPERS:** None