



Report of: Head of Employment Access and Growth

Report to: Deputy Director, Learning

Date: 26th October 2015

Subject: Leeds Apprenticeship Hub 2015/16 programme



Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Council, along with its partners, plays a lead role in delivering key elements of the City Deal contract. Secured in 2012, the City Deal transferred powers and spending to the Leeds City Region enabling further investment in skills to support business growth and create new opportunities for young people.
2. The City Deal contract provides funding of £326,000 over three years up to March 2016 to the Leeds Apprenticeship Hub to deliver increased SME business engagement and an increased number of apprenticeship starts. This reflects the priorities and objectives of the Council's Best Council Plan 2015-20 to support sustainable and economic growth by supporting young people into jobs, improving their skills and supporting local economic growth by meeting the workforce development and skills needs of local businesses. This also contributes to the achievement of the Child Friendly City objective by supporting reductions in youth unemployment and the number of young people identified as NEET, and to our ambitions to be a compassionate city where the benefits of a strong economy are harnessed for the benefit of all our residents.
3. This report sets out a proposed programme of activities to be delivered through the Apprenticeship Hub to the conclusion of the City Deal contract in March 2016, with an emphasis on increasing the number of young people starting apprenticeships.

Recommendations

The Deputy Director, Learning is asked to authorise expenditure of £110,000 from the City Deal Apprenticeship Hub grant allocation to support the delivery of activities as detailed in this report.

The officer responsible for the implementation of the decision will be the Head of Employment Access and Growth. Implementation will take place immediately.

1 Purpose of this Report

- 1.1 This report sets out the programme priorities and budget allocations to specific areas of activity. The report seeks authority to incur expenditure for the delivery of the activities detailed to ensure that the City Deal contract targets can be achieved by the programme end in March 2016.

2 Background information

- 2.1 The Council, along with its partners, plays a lead role in delivering key elements of the City Deal contract. Secured in 2012, the City Deal enables further investment in skills to support business growth and create new opportunities for young people. The Hub provides a framework for collaborative working across a wide range of apprenticeship providers to work with young people, schools and SME businesses. This is a key strand of a long term solution for sustainable youth employment and supporting business growth through investment in skills.
- 2.2 A budget of £326,000 of grant funding was allocated to the Hub over the period January 2013 to March 2016. Funding is paid on the delivery of contracted outputs with these outputs including engagement with SMEs, and apprenticeship starts. To date a total of £326,000 has been drawn down, with £122,500 of funding remaining uncommitted in this financial year. This report sets out proposed activities for delivery to the end of the contract, with estimates of expenditure to enable targets to be achieved.
- 2.3 Performance (to the end of September 2015) against SME engagements has already exceeded the contract target (585), with current achievement at 627 (107%). Performance against the apprenticeship starts target (682) is below profile, with 424 (62%) starts at the end of September. Increasing the number of apprenticeship starts before the end of the contract is the Hub's priority, and the activities set out below primarily contribute to this ambition.

3 Main issues

- 3.1 The focus of delivery is principally on activity that will contribute to the number of young people starting apprenticeships, as this is the contract target where performance remains below profile. SME engagement (where contract targets have already been exceeded) will continue to be serviced through the day to day work of the Hub, as well as the wider Employment Access and Growth service. The details are set out in the following sections with proposed budget allocations.
- 3.2 **Business Engagement (telemarketing)**
As well as the work of the Hub and the wider Employment Access and Growth service in engaging with SMEs, we continue to work through intermediaries in the business community to reach out to SMEs, and have committed expenditure to a further extension of our contract with telemarketing agency Blueberry. Over the six month life of this contract over 123 appointments have been set, with a further 47 warm leads (where appointments are to be set) and 98 longer term leads (interested in recruiting an apprentice within the next 12 months) all with local SMEs interested in recruiting apprentices.

Approved committed expenditure **£7,000**

3.3 Business engagement – Grand Futures Programme

The Council is working in partnership with a range of organisations across the creative and cultural sector to support the growth of internships and apprenticeships, through the Grand Future Programme. Complementing the Creative Employment Programme (external funding from Creative and Cultural Skills of £56,000), the Hub previously committed £32,000 in 2014/15 to support SMEs in the sector to recruit apprentices and interns.

- 3.4 In addition to this ongoing work, grant funding has been committed to Leeds Grand Theatre (providing leadership and administrative support to the Grand Futures Board) to recruit a higher level apprentice to support and drive this partnership working. This will maintain the momentum behind the project at a critical time, as well as extending the project's capacity to engage with more SMEs to encourage them to take on apprentices.

Approved committed expenditure **£31,800**

3.5 Engagement with Young People – case loading

Over the summer, the Hub, working in partnership with training providers, hosted Apprenticeship Application Workshops in city centre locations. These 1hr sessions were designed to support young people to complete and submit applications, with a telephone booking approach offering an opportunity to check the readiness of candidates for the application process.

- 3.6 Nearly 70 young people attended these workshops, but to date we only have evidence of one start as a result. In a proportion of cases, this is an evidential issue, in that training providers have not returned start forms to us. We are contacting the young people who attended to track whether they were successful so that we can claim the start.

- 3.7 We are tracking those who attended to offer further support through the Hub, with a caseloaded approach to assist with further applications, including interviewing. From our triage booking system we are confident that these young people are apprenticeship ready and can be quickly moved into starts with some additional support. Reduced staffing resources require that this activity be procured through a competitive process from the range of organisations working with young people on the skills/employability agenda. The specification will detail the number of cases and outcomes to be delivered.

Total planned expenditure **£10,000**

3.8 Engagement with Young People – NEET intervention

Data show that there is a significant spike in young people becoming NEET in November. Following consultation with colleagues in Children's Services, we propose commissioning activity which will focus on a small targeted cohort (c.30) of this population, where schools have identified them as apprenticeship ready, and will work closely with them to identify appropriate vacancies and support them through an application process, as well as providing broader support with employability skills to minimise their potential to become NEET. This activity will be procured through a competitive process. The specification will detail the number of

cases and outcomes to be delivered.

Total planned expenditure **£10,000**

3.9 Engagement with Young People – school engagement

As well as the targeted interventions with young people set out above, the Hub continues to promote apprenticeships in many of the city's schools, attending a range of events and speaking to a range of audiences. The volume of activity undertaken is linked to the available staff resource. As in the previous year, we expect that the nature of this engagement work will shift over the period of the academic year from engaging with large audiences for the purposes of promotion, to more targeted interventions, including Apprenticeship Application Workshops, towards the spring term – when young people are making their decisions about destinations. A small amount of expenditure is proposed to cover the costs of hosting workshops, which may include using both city centre locations, and venues across the city where justified by potential take-up from young people.

Total planned expenditure **£5,000**

3.10 Promotional campaigns – Aspirational Apprenticeships and Business-Business

A range of new apprenticeship standards, many at advanced and higher levels, are in development through the Trailblazer process. The availability of these frameworks offers an opportunity to promote an enhanced aspirational element to apprenticeships, where to date take up has been constrained by the lack of higher and advanced standards. A radio campaign, explicitly focusing on aspirational candidates, will be commissioned.

3.11 Parents remain the key influencers of the decisions made by young people, particularly around educational destinations. We know from our own experience that parents continue to be ill-informed about apprenticeships, and therefore are not able to talk knowledgeably about the opportunities offered by apprenticeships, and are less likely to be supportive of their children if they want to consider one.

3.12 We will work Corporate Communications and with partners in the business community to develop a campaign which features members of the community articulating the value of apprenticeships, but in their dual roles as both business leaders and parents. The primary audience for this will be business people to facilitate companies taking on apprentices, but also as influencers of their own children/guardians. A video/radio campaign, with audiences both internal to companies (including their own), and external, will be commissioned.

Total planned expenditure **£25,000**

3.13 Apprenticeship Recruitment Fair

The Apprenticeship Recruitment Fair, held in July of this year, adopted a different approach than in previous years with an explicit focus on recruitment rather than just awareness raising. Over 1,700 people attended, with over 800 expressions of interests in live vacancies made, which were passed to training providers/employers within 48 hours of the event closing.

3.14 Following evaluation, it is proposed that the event is held earlier in the academic year during National Apprenticeship Week, taking advantage of the significant

promotional activity undertaken by local, regional and national partners during this period. It is proposed to hold the event at the First Direct Leeds Arena. The Town Hall struggles to cope with the volume of exhibitors who wish to attend the event (10 potential exhibitors were turned down) as well as the volume of visitors. The Arena will be a more attractive destination to a young audience and has a larger capacity to support greater visitor numbers.

3.15 The cost of hiring the Arena is higher than that of the Town Hall. Consultation undertaken with a number of exhibitors at this year's event about the potential for contributions to cover catering costs etc, received a positive response, with the potential for event sponsorship also raised by consultees. A detailed plan and budget will be brought forward before the end of November.

3.16 No further Area Events are planned at present. Given the scale of the resources that these events require in officer time to prepare and deliver, venue costs and the costs of transporting students to the events and the limited number of apprenticeship starts generated, they do not represent best use of the grant.

Total planned expenditure **£25,000**

3.17 **Increasing representation among BAME groups**

Leeds, in common with national trends, has an under-representation of BAME groups starting apprenticeships. The Executive and Lead members for Employment, Enterprise and Opportunity have recently endorsed a range of actions designed to tackle this under-representation, as part of the Council's Equality Improvement Priorities. While this is a long term aspiration for the Council, the use of Hub funding to prime activity is appropriate. Activities will include:

- Primary research with BAME groups to test awareness of apprenticeships and understand barriers to engagement;
- Awareness raising sessions (facilitated by community stakeholders and partners) and Apprenticeship Application Workshops;
- A business-focused event, held in partnership with the Yorkshire Asian Business Association, to promote apprenticeships and understand barriers to engagement;
- Marketing activity including a radio campaign with local stations with BAME community audiences.

Total planned expenditure **£20,000**

3.18 **Working with anchor institutions to improve workforce development**

The Council is working with large public sector employers, such as the University of Leeds and Leeds Teaching Hospitals Trust, who are identified as anchor institutions within the local economy and labour market. This work focuses on improving individual and collective approaches to workforce development to address current and emerging skills gaps and shortages through apprenticeships and the development of new frameworks where required. The majority of this activity will be delivered in 2016/2017, with expenditure committed in this financial year.

Total planned expenditure **£15,000**

4. Corporate Considerations

4.1 Resources and value for money

- 4.1.1. The City Deal grant funding is additional external resource totalling £346,000 to support new activity in the city to increase the engagement of young people and local businesses with apprenticeships. We are in the third and final year of the Apprenticeship Hub programme, and have £122,500 of uncommitted budget available. The proposed cost of this programme of activities, at £110,000, including funding to be carried forward to 2016/17, leave a small contingency of grant for funding activities in this financial year where opportunities or the need to reflect changes in policy might arise.
- 4.1.2 The City Deal funding enables partnership working between numerous providers to create a more coherent offer and efficient service to local businesses offering apprenticeships and young people seeking apprenticeships making best use of public resources.

4.2 Legal Implications, Access to Information and Call In

- 4.2.1 This is a significant operational decision which is not subject to call in.
- 4.2.2 Services to be procured will be less than £10k in value and a minimum of 3 written tenders will be sought to ensure compliance with contract procedure rules to obtain value for money. Robust contract management and monitoring systems will be put in place throughout the remaining period of delivery to ensure performance standards and outputs are achieved.

4.3 Risk Management

- 4.3.1 A robust process to monitor expenditure and performance quarterly against targets and maximise the grant funding available is in place in the Employment and Skills Service and to oversee the submission of claims to the Skills Funding agency via the Leeds City Region Enterprise Partnership secretariat in compliance with the conditions of the City Deal grant funding contract.
- 4.3.2 This enables the service to manage the potential risks associated with any underperformance against targets and the ability to continue to draw down funding.
- 4.3.3 A comprehensive project plan will be developed to ensure that activities are delivered to budget.

4.4 Consultation and Engagement

- 4.4.1 Consultation has taken place with colleagues in Children's Services and the Corporate Communications team. The Executive Member for Employment, Opportunity and Enterprise has also been consulted.
- 4.4.2 Through the above and the Hub network, consultation has taken place with the Council's Children's Services and Corporate Communications services, the Skills Funding Agency, Leeds City College and the College of Building, and apprenticeship framework learning providers.

4.5 Equality and Diversity / Cohesion and Integration

4.5.1 An Equality Impact Assessment screening was carried out in June 2013 at the start of the programme that details how equality, diversity, cohesion and integration has been considered and that a separate impact assessment is not required. The planned activities will support in particular entry level employment and progression routes for young people that are currently disadvantaged in a very competitive labour market because they are competing against workers with demonstrable experience and skills and will support those young people that are identified as NEET and are furthest removed from the labour market.

4.6 Council policies and Best Council Plan

4.6.1 The aims of the activities detailed in this report reflect the priorities and objectives of the Council's Best Council Plan 2015-20 to support sustainable and economic growth by supporting young people into jobs, improving their skills and supporting local economic growth by meeting the workforce development and skills needs of local businesses. The event will also contribute to the achievement of the Child Friendly City objective by supporting a reduction in youth unemployment and the number of young people identified as NEET, and to our ambition to be a compassionate city based on a strong economy.

5.0 Recommendations

- 5.1 The Deputy Director Learning, Skills and Universal Services is asked to authorise expenditure of £110,000 from the City Deal Apprenticeship Hub grant allocation to support the delivery of activities as detailed in this report.
- 5.2 The officer responsible for the implementation of the decision will be the Head of Employment Access and Growth. Implementation will take place immediately.

6. Background documents¹

6.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.