



Report of the Director of Resources

Executive Board

Date: 5th November, 2008

Subject: Skills Pledge, Train to Gain and Apprenticeships

Electoral Wards Affected:

Ward Members consulted (referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap *

Eligible for Call In

Not Eligible for Call In (Details contained in the report)

Executive Summary

Leeds City Council has long recognised its role in the city and the region in leading, encouraging and supporting investment in skills development to ensure the prosperity of the city and its citizens now and in the future. As a major employer the council recognises that employees are one of its most important assets and that investment in training and development is critical in ensuring excellent, fit for purpose services. As most employees are also citizens of the city a focus on developing the workforce impacts positively on the communities of Leeds.

Since 1997 the council has shown its commitment as an Investors in People (IIP) organisation and remains the largest local authority with full Investors in People recognition. This report introduces the 'Skills Pledge' and seeks endorsement for the council to sign making a further public commitment to improving qualification levels of literacy, language, numeracy and e-skills in the Leeds City Council workforce.

Signing the Skills Pledge does not commit further council funds to training and development but ensures access to significant national funds by working with recognised providers. The public sector is seen as key to improving the help deliver national plans to help over four million adults to learn new skills and improve existing ones. To encourage participation more flexibility has been provided for local authorities in accessing funding for a wider range of training and qualifications for a wider range of employees.

Also part of the national agenda for skills development with a focus on young people there has been a change of focus on how apprenticeships are provided and funded. This necessitates change to the council's approach to ensure funding can be accessed and national requirements are met. By bringing this under the umbrella of 'Skills Pledge' a coherent joined up approach is ensured in developing the skills of the workforce now and in the future.

1 Purpose Of This Report

- 1.1 To update Executive Board on three key initiatives arising from the national skills improvement agenda, namely 'The Skills Pledge', 'Train to Gain Funds' and 'Apprenticeships'.
- 1.2 To request Executive Board endorsement of Leeds City Council signing the 'Skills Pledge'.
- 1.3 To provide an update on how improved funding flexibilities will be harnessed to support skills development.
- 1.4 To share the latest approach for offering apprenticeships in the council
- 1.5 To share an action plan, as required by the 'Skills Pledge', that indicates how the council will link these initiatives together accessing Train to Gain and other Learning and Skills Council (LSC) funding to increase the skills levels of current and future employees.

2 Background:

- 2.1 The Leitch Report (2006) considered the UK's long term ambition for developing skills in order to maximise economic prosperity and productivity. It concluded that the demand for skills would grow inexorably and radical reforms were required across the skills arena. It recommended that investment in skills development via the expansion of apprenticeships and adult training funded by Train to Gain was crucial to delivering world-class skills.
- 2.2 The government response to the review, entitled 'World Class Skills', revealed plans to help over four million adults to learn new skills and improve existing ones. The focus is to make the nation a world leader in skills by 2020 and it sets out how it plans to lead the country into a 'skills revolution'.
- 2.3 One aspect of these plans is the '**Skills Pledge**' to encourage and support employers to play their part in achieving 'World Class Skills'. Another element is **Train to Gain** funding to help remove barriers to training and encourage employer support. Furthermore the plan outlines how **employer-led Apprenticeships** are being encouraged by the Government to recruit young people and adults aged 16-24.
- 2.4 Skills development of employees is aligned to both the Council's social and economic regeneration objectives; 'Narrowing the Gap' and 'Going up A League'. Skills development is an objective in the Leeds Strategic Plan and there are agreed National Indicators relating to qualification levels for young people and adults.
- 2.5 The majority of the Council's workforce live within Leeds so by increasing their skills abilities and opportunities there is a positive impact on the community, families and individuals. In particular it will help support younger people into work, help people back into the workplace after time out with ill health or disability, meet specific ethnic minority needs and those of other excluded groups such as ex-offenders.
- 2.6 **Skills Pledge**
 - 2.6.1 The purpose of the Skills Pledge initiative and Train to Gain funding is to enable public and private sector organisations to ensure that adults across the country are supported to be skilled: able to make a full contribution to the economic success of the country and benefit themselves and their families.

- 2.6.2 The 'Skills Pledge' is a public commitment made by the leadership of an organisation to support its employees in developing their basic skills, which includes literacy, numeracy and e-skills. It also requires a commitment to supporting employees in working towards and gaining relevant qualifications to at least Level 2 (the equivalent to 5 good GCSEs).
- 2.6.3 The Skills Pledge is made by the Chief Executive and/or senior Elected Member demonstrating top level commitment. It is voluntary and it is up to the council to decide how to fulfil its commitment and over what timescale. There is a standard form of words that must be utilised as a minimum and is reflected in the 'Skills Pledge' in appendix 1.
- 2.6.4 Although it is voluntary, Local Authorities are being actively encouraged by the Government to act as exemplars in this area and sign the Skills Pledge without delay. In the Yorkshire and Humber Region there is a drive for all 22 local authorities to sign and recently the council has received communication from the Rt. Hon. Rosie Winterton MP encouraging us to make 'The Skills Pledge'.
- 2.6.5 Leeds Skills Board is encouraging all partners across the city to sign the Skills Pledge and the Chamber of Commerce has held an event to raise awareness and encourage participation in the Skills Pledge as a way of achieving this key outcome for the city.

2.7 Train to Gain Funding

- 2.7.1 Leeds City Council has received funding for skills development through the Learning and Skills Council for many years and latterly from Train to Gain. However there have been limitations on the use of these funds for all employees as there was a focus on bringing young people into work through apprenticeships and for training key staff groups such as those in social care.
- 2.7.2 New flexibilities introduced in 2008, mean that local authorities can now access full or partial funding through Train to Gain and the Enhancement Fund for a range of development opportunities for all employees.
- **First full Level 2 qualifications (equivalent to 5 good GCSEs)**
for employees who don't already have a full Level 2 qualification, funding is available for literacy, numeracy, English language and e-citizen skills, plus their first Level 2 qualification. There is also funding available for a number of additional Level 2 vocational qualifications.
 - **Contributions to Level 3 qualifications (equivalent to 2 A-levels)**
for employees with a Level 2 qualification, there will be a significant contribution towards the cost of a Level 3 qualification. For employees who don't have a Level 2 qualification but have the skills to progress straight to Level 3, full funding for the Level 3 qualification will be provided. For those who already possess a Level 3 qualification or above there is funding available for a number of additional Level 3 qualifications. Full funding is also available for those employees who are aged 19-25.
 - **Apprenticeship programmes**
over the next three years there will be a significant increase in the numbers of funded Apprenticeship programmes for employees aged 16-24 and 25+ delivered through quality assured external training providers and funded through the national Apprenticeship programme via the LSC.
- 2.7.3 Train to Gain is funding directed by the Learning and Skills Council whose vision is that by 2010, young people and adults in England will have the knowledge and skills

to match the best in the world and are part of a truly competitive workforce. At a national level it is expected that by 2010/11 available funding will have reached in the region of £1 billion.

- 2.7.4 This is not money that the local authority can access directly and use to support internal training provision. It has to be accessed through approved training providers with help from a dedicated Skills Broker provided by the Learning and Skills Council.

2.8 Apprenticeships

- 2.8.1 A recent consultation document 'World Class Apprenticeships: Unlocking Talent, Building Skills for All' (February 2008) indicated that the Government plans to impose a mandatory duty on the public sector to address the inconsistencies in the sectors' current use of apprenticeships and set targets for the number of employed apprentices.
- 2.8.2 Over the next three years there will be significant increase in the number of funded apprenticeship programmes available in a wide range of vocations and for employees aged 16-24 and 25+. The proposed expansion of apprenticeships is primarily aimed at supporting young people in continuing education. In last years Queens Speech the government gave notice that it plans to extend the compulsory education participation age to 17 by 2013 and to 18 by 2015.
- 2.8.3 An Apprenticeship Reform Bill is expected to be included in the Autumn 2008 Parliamentary programme to enact the government proposals including the introduction by 2013 of an entitlement to an apprenticeship place for every young person aged 16-18 who attains the entry level qualifications required in the relevant vocation.
- 2.8.4 Over the last 15 years with the 'Flagship Programme' the Jobs and Skills Service has accessed Government core funding to directly deliver programme-led apprenticeships (i.e. training to access employment) to support recruitment and training for specific posts within the Council. The Learning and Skills Council (LSC) has been the source of this funding but changes in national priorities have led to a shift in emphasis and a change in the funding regime.
- 2.8.5 Funding is available for apprenticeships and advanced apprenticeships through the Learning and Skills Council (LSC) but can not be accessed as previously. The council's apprenticeship model is being revised to ensure provision of nationally accredited programmes leading to Level 2 and Level 3 qualifications that are relevant to the job role, an employer-led approach using external providers.
- 2.8.6 The main difference is that the new Apprenticeship Programme involves recruiting and employing apprentices to existing real job vacancies. It is not a job creation scheme and posts will not be created for this programme. Apprentices will be paid the appropriate starting salary for the post by the relevant service/department rather than being trainees with a trainee allowance.

3 Main Issues:

- 3.1 The national local government Pay and Workforce Strategy survey (2006) estimated that around 11% of the workforce has literacy problems, 40% are not fully numerate and 27% of local government employees either hold no qualification or hold a National Vocational Qualification below Level 2.

- 3.2 There is well documented evidence that shows an investment in improving skills improves individual and organisational performance resulting in:
- Increased efficiency in service
 - Improved productivity and quality of work
 - Increased employee satisfaction
 - Higher staff retention rates
 - Greater potential for career progression
 - Greater economic prosperity for individuals and families
 - Improved educational achievement rates for young people
- 3.3 A census of the employees of Leeds City Council is currently underway to assess the baseline for skills and qualifications of the existing workforce as required in the Skills Pledge Action Plan. A clear view should be available early in 2009. If the national picture is replicated in Leeds City Council then with a workforce of 17,000 (exc ALMO's and Schools):
- 1870 of the Council's workforce are likely to be below level 1 in English.
 - 6800 of the Council's workforce are likely to be below level 1 in mathematics
 - 4590 of the Council's workforce either hold no qualifications or qualifications below level 2.
- 3.4 Leeds City Council now has the opportunity to lead the way as a major employer in the city and the region by signing the Skills Pledge. The requirements of the Skills Pledge support the strategic outcomes of the city and the council's aims as a good employer. It provides an overarching focus for improving Skills for Life (literacy, language, numeracy and e-skills), a revised apprenticeship scheme and a joined up approach to accessing funding for employee development.
- 3.5 A Statement of Commitment to the Skills Pledge is attached in appendix 1. This meets the minimum national requirements for the Skills Pledge but also includes a commitment to develop the e-skills of employees. The national skills for life definition confirms that computer literacy is the 4th basic skill and as technology becomes more and more integral to the work of our services the needs for computer skills increases every year.
- 3.6 Included in the Skills Pledge is a specific commitment to support young people who work for the council. Leeds City Council leads on the West Yorkshire 'Learning Agreement' pilot aiming to reduce the numbers of 16-17 year olds who are in employment but are not accessing accredited training or education. Including this in the Skills Pledge makes the council's public commitment to ensure that younger employees are specifically targeted.
- 3.7 There is also specific reference to apprenticeships as a method of providing relevant vocational training and qualifications especially for young people but also for a broader range of employees as appropriate.
- 3.8 A commitment to the Skills Pledge does not make a commitment of council resources. Clearly any activity will need to provide benefits to the council, service delivery and to the city not just the individual employee. Making such a commitment to improve Skills for Life and basic qualification levels of employees will require a focussed approach to ensure all can benefit and maximum funding can be used. An initial action plan is attached at appendix 2.

- 3.9 To support this action plan clear targets will be required against which progress can be monitored. In setting targets for the council as an employer we will consider the Learning Targets in the Leeds Strategic Plan (national Indicators 163, 164, 79 and 80) and other strategic outcomes for the city. For example consideration will be given to supporting aspirations in helping 'Looked after Children' into employment or ex-offenders in building careers.
- 3.10 However the targets will not be set until the census return from employees is complete and gives the baseline. This will indicate the scale of the challenge and enable the setting of achievable targets focussed to key service areas, staff groups and potential employees.
- 3.11 The Jobs and Skills Service restructure includes a small number of posts (equiv £80,000) identified to administer the council's approach to apprenticeships for potential and existing employees. Working with the HR Service existing entry level vacancies that could be filled by apprentices will be identified and promoted under a Work4Leeds banner and where appropriate existing employees will be provided with opportunities for apprenticeships.
- 3.12 Trade Unions at a national and local level support the signing of the Skills Pledge and the aim to 'mainstream' skills for life within the workplace. Union Learner Representatives are uniquely placed and critical in supporting and encouraging their members to take positive action to improve their skills.
- 3.13 There will be challenges to improving the skill and qualification level of employees. It should not be under-estimated that there is still a stigma attached to requesting skills for life support and training. Raising awareness, identifying needs and appropriate provision is critical.
- 3.14 Train to Gain and other LSC funds will provide the training and support in a flexible way appropriate to learners however it does not cover the costs of staff release to undertake development. This is perhaps not such an issue for office based staff but is a real challenge in front line services with demanding service requirements and tight budgets. The action plan identifies the need to take different and creative approaches linked to service specific needs as well as individual needs to ensure effective use of council resources.
- 3.15 We have been accessing Train to Gain money but will need to be more co-ordinated and focussed on this if we are to make real progress on improving the skills of the workforce. We are currently reviewing all existing NVQ and training provision to ensure that the council maximises the use of Train to Gain money and opportunities for apprenticeships. Recent activity accessing Train To Gain funds includes:
- £278,000 the 'Care for All' training contract in Social Care
 - £3,510 of funding for Health and Social Care with 18 Community Care staff undertaking a level 2 qualification
 - £24,626 for NVQ Level 2 programme for road building with Skills for Life included.
 - 66 staff undertaking NVQ level 2 in Business Administration, IT, Customer Service and Team leading with further plans to support 150 Highways staff in NVQ level 2 Highways maintenance, this equates to £216,000 of funding.

4 Conclusions

- 4.1 Signing of the Skills Pledge makes a public statement of the council's commitment to learning for employees and provides leadership for the city and its partners. This is fully aligned with the council 'Investors in People' accredited and a good employer.
- 4.2 It allows full access to Train to Gain funding to support our employees in developing skills for the future and supports us as an employer to contribute fully to the strategic outcome and improvement priorities for learning. Once the skills baseline is established for the workforce and existing provision is reviewed it will be possible to have a clearer view of the scale of funding that Leeds City Council can draw down.
- 4.3 There will be challenges in increasing the number of qualified employees especially in the current economic climate. Clear targets and an action plan will support the focus given by the Skills Pledge and provide a framework for employee Skills for Life development activity whilst ensuring that there are tangible benefits for the council and the city which address the targets set in the Local Area Agreement against the strategic outcomes and improvement priorities.
- 4.4 Joining together the revised approach for apprenticeships with skills development for future and current employees under the umbrella of the Skills Pledge provides a unified approach to developing the basic Skills for Life of current and future employees and meets the council's wider objectives and the Vision for Leeds.
- 4.5 Changes to the apprenticeship model now ensure the council is ready for likely changes in statutory requirements and entitlements for young people.

5 Recommendations

- 5.1 The Executive Board endorses the signing of the Skills Pledge and the associated action plan to ensure maximisation of Train to Gain funding and improved skills levels.
- 5.2 The Executive Board note the changes in approach to the provision of apprenticeships in the council.

6 Background Papers

- 6.1 Summary of main recommendations of Leitch Report and response of the Government in 'World Class Skills' (19 ages).
- 6.2 The full Leitch Report (150 pages) and the consultation document 'World Class Apprenticeships: Unlocking Talent, Building Skills for All' (55 pages) can be found at www.dcsf.gov.uk

Statement of Commitment for the Skills Pledge

Leeds City Council recognises the benefits to the City, the organisation and the individual of increasing the 'Skills for Life' of the workforce.

The council has developed an action plan to underpin the Skills Pledge and is making a whole organisation commitment to:

- actively encourage and support our employees to gain the skills and qualifications that support their future employability and meet the needs of the council;
- actively encourage and support our employees to acquire basic literacy, numeracy and e-skills, and with Government support work towards their first Level 2 qualification in an area that is relevant to the council;
- demonstrably raise our employees' skills and competencies to improve the service delivery through investing in economically valuable training;
- actively encourage and support all younger employees to access the Learning Agreement
- promote apprenticeships for entry level jobs and for existing employee development

Signed on Behalf of Leeds City Council

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Chief Executive, Leeds City Council

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Leader of the Council

Leeds City Council Skills Pledge - Action Plan

Action	Target Date
Work with Learning and Skills Council adviser to develop action plan for signing of the Skills Pledge	August 2008
Work with Skills Broker to identify providers for training which accesses Train To Gain funding	Ongoing
Raise awareness with those commissioning training of the availability of Train to Gain funds and the availability of apprenticeships	Ongoing
Review all existing NVQ and training provision ensuring Train2Gain funding is accessed as relevant.	October 2008
Sign Skills Pledge	5 th November 2008
Undertake census of current skill and qualification levels of employees	September 2008- December 2008
Analyse employee census returns and draw up needs based action plan with clear targets and benefits that link clearly to other LAA targets, especially in terms of Narrowing the Gap.	January 2009
Develop targeted programmes in line with service and workforce plans to meet targets for skills levels and apprenticeships.	Ongoing
Promote apprenticeships under the “Work 4 Leeds” branding to young people and adults where entry level jobs are identified; using the apprenticeships to open up opportunities to those who have traditionally been excluded.	Ongoing
Introduce national e-citizen qualification as minimum standard for e-skills across the council and develop action plan linked to census analysis	January 2009
Internal campaign to raise awareness of the Skills Pledge, Skills for Life and Apprenticeships	January 2009
Bring Trade Union Learner reps on board and agree areas for focus based on baseline data	January 2009
Introduce pre-employment skills assessment and embed through induction and appraisal processes to maintain full understanding of the workforce skills base.	April 2009
Ensure skill/qualification requirements are accurately identified in job descriptions and linked to targets	April 2009
Reporting and monitoring against targets through Resources and Performance Board by its sub-group ‘Equality in Employment’	Ongoing