

# Taunton Deane Borough Council

**Executive – 9 September 2015**

## **Apprenticeships in Housing and Communities**

### **Report of the Tenant Empowerment Manager**

(This matter is the responsibility of Executive Councillor Terry Beale)

#### **1. Executive Summary**

The Housing Revenue Account (HRA) Business Plan 2012-2042 details where the housing monies will be invested. This report proposes the introduction of an apprenticeship scheme into different sections within Housing and Communities to provide an introduction to employment for those not in education, employment or training.

This scheme was identified as a future initiative as part of the Housing Revenue Account Business Plan 2012 – 2042 Review that was presented to the Tenant Services Management Board on the 19<sup>th</sup> January 2015, Community Scrutiny Committee on the 6<sup>th</sup> January 2015 and the Executive on the 14<sup>th</sup> January 2015.

A decision to allocate funding for the scheme was approved by the Executive at its January 2015 meeting along with a number of funding recommendations for Housing and Communities. The scheme detailed in this report also received the unanimous support of the Tenant Services Management Board at its meeting on the 20<sup>th</sup> August 2015 and is to be presented to the Community Scrutiny Committee on the 1<sup>st</sup> September 2015.

The Executive is recommended to approve the introduction of the proposed Apprenticeship Scheme in Housing and Communities.

#### **2. Background**

An apprenticeship is a job that combines on and off the job training. The apprentice is employed and gains a nationally recognised qualification, giving the opportunity to train as they work and earn money.

Apprenticeships are available to anyone aged 16 and over who is not in full-time education and is eligible to work in the UK.

Apprenticeships offer a practical solution to reducing unemployment, particularly by supporting individuals who are not in education, employment or training (NEET).

Apprenticeships have been shown to facilitate the often difficult transition between full-time learning and work. The opportunity to work alongside experienced staff and gain job specific skills is designed to open future career paths to apprentices.

The council has experience of employing apprentices. The DLO currently employs ten apprentices, one in response repairs and nine across other areas. The apprenticeship lasts for two years and all undertake NVQ Levels 2 and 3 at Somerset College. The DLO scheme is effective at not only training young people but also retaining those who are successful at college and in the work place by the apprentices applying for and filling permanent posts at the end of the scheme.

The Executive of 14<sup>th</sup> January 2015 approved £24,000 per annum as part of the Housing Revenue Account Business Plan 2012 – 2042 Review to support the costs of the scheme.

The scheme detailed in this report also received the unanimous support of the Tenant Services Management Board at its meeting on the 20<sup>th</sup> August 2015.

### **3. Proposed Apprenticeship Scheme**

It is proposed that the scheme will be a rolling programme appointing one apprentice per year over three years to gain skills in three different sections of Housing and Communities.

In April 2012, the Government announced that the minimum length for all apprenticeships will be 12 months in an effort to eliminate bad practice. At the same time, it also said that all apprentices must be employed for a minimum of 30 hours a week. This includes time spent away from the workplace engaged in training. Research shows that the normal length is two years, allowing for experience to be gained and studies to be completed. It is proposed that each apprentice will be appointed on a two year contract

Part of an apprenticeship is to study for a nationally recognised qualification. This scheme proposes that in the first year the apprentice will study NVQ Level 2 in Business Administration which takes one year to complete. Having passed this course the apprentice will progress in the second year to the one year course NVQ Level 3. Both courses are studied via day release at a local college.

It is proposed that the apprentices will be employed by Taunton Deane Borough Council (TDBC) and have the same rights as any other employee. As such TDBC will be required to issue a contract of employment. TDBC already has a standard contract for apprentices.

Three service sections have been identified where an apprentice could enhance service delivery while gaining valuable experience of on the job training and work experience.

- 3.1 In Year One (from November 2015) it is proposed that an apprentice will fill the role of Housing IT Support Apprentice in the Business Support section. Duties will include:
- Support IT systems used in Housing and Communities;
  - Maintain and administer electronic records;
  - Produce reports from IT systems.
- 3.2 In Year Two (from September 2016) it is proposed that an apprentice will be employed in one of the three area community teams within housing services. The range of tasks that will be undertaken include:
- Assist in the effective management of the estates to ensure the environment is maintained to a high standard;
  - Work in partnership with other agencies (for example; Police, Social Services, Health) to ensure prompt and effective action is taken to resolve problems;
  - Assist in the management of breaches of tenancy including: anti social behaviour, harassment, successions and prepare reports where necessary;
  - To ensure residents' complaints and concerns are responded to promptly and effectively.
- 3.3 In Year Three (from September 2017) it is proposed that an apprentice will be based in the Property Services section. Duties will include a focus on:
- Assisting in the monitoring of maintenance and repairs contracts;
  - Assisting in the awarding of maintenance and repairs contacts.

- 3.4 It is proposed to evaluate the scheme throughout its existence. If the scheme is deemed a success for both the apprentice and the organisation the council will need to consider a proposal for extending the scheme.
- 3.5 It is standard that employers require that apprentices have reached a minimum education level, usually three GCSEs including English and Mathematics at grade C or above to gain entry onto a scheme. Applicants are also asked to demonstrate that they have IT skills including Microsoft Office applications.

The recruitment and selection process is vital for finding the right candidates. Advertisements can be placed in:

- Local college
- Local newspapers
- TDBC website
- Job Centre Plus
- Using local centres such as the Wellington Office, Link Centre and Priorswood Community Centre.
- Tenant newsletters that are distributed to all tenants on a quarterly basis
- One Teams

It is proposed that TDBC seeks apprentices with these educational qualifications and that it follows the council's standard practice in terms of recruitment and selection of apprentices.

- 3.6 To ensure the success of the apprenticeship scheme, the apprentice needs to be put at the heart of the programme, with effective and appropriate support mechanisms built in. Providing the right practical support and guidance to an apprentice will help ensure they settle in well, develop with the organisation and help contribute to the success of TDBC.

It is proposed that a mentor will act as an advocate. Line managers within service areas can also pick up on any issues in terms of performance, behaviour or attendance as soon as they emerge.

Under this scheme it is proposed that the college will provide support to ensure the apprentices are successful in passing the NVQ qualifications.

#### 4. Financial Implications of Apprenticeships

The National Minimum Wage for an apprentice is £2.73 per hour for 16 to 18 year olds and those aged over 19 in the first year of their apprenticeship. For all other apprentices the National Minimum Wage appropriate to their age applies. The National Minimum Wage for apprentices applies to time spent on the job plus time spent training. It should be noted that the employer pays these salary costs. The National Minimum Wage is revised on an annual basis and the rates below apply from October of each year.

Table 1 below shows the current and future levels of National Minimum Wage rates:

	<b>Apprentice</b>	<b>Under 18 Years Old</b>	<b>18 to 20 Years Old</b>	<b>21 Years Old and Over</b>
<b>From October 2014</b>	£2.73	£3.79	£5.13	£6.50
<b>From October 2015</b>	£3.30	£3.87	£5.30	£6.70

Table 1 Note: From 2014 to 2015 there is a 57 pence, or 21%, increase in the apprentice hourly rate.

4.1 Table 2 below shows the proposed financial cost of employing one apprentice per year on a three year rolling programme.

	2015/16	2016/17	2017/18	2018/19	2019/20	TOTAL
<b>Apprentice – Business Support</b>	£3,703	£10,326	£6,751	£0	£0	<b>£20,780</b>
<b>Apprentice – Estate Management</b>	£0	£4,904	£11,054	£4,822	£0	<b>£20,780</b>
<b>Apprentice – Property Services</b>	£0	£0	£4,904	£11,054	£4,822	<b>£20,780</b>
<b>Total Cost</b>	<b>£3,700</b>	<b>£15,230</b>	<b>£22,709</b>	<b>£15,876</b>	<b>£4,822</b>	<b>£62,340</b>

Table 2 Notes:

1. Apprentice in Business Support from November 2015 to October 2017
2. Apprentice in Estate Management from September 2016 to August 2018
3. Apprentice in Property Services from September 2017 to August 2019
4. If an apprentice is aged 16 to 18 no course fees are payable by the employer, they are paid direct to the college by central government. If, however, the apprentice is aged 19 or above the course fees detailed below are paid by the employer:  
  
 NVQ Level 2 - £700  
 NVQ Level 3 - £1,300
5. An assumption has been made that the apprentices will be aged 18 to 20 in the second year of their apprenticeships and that course fees are payable by TDBC. The financial impact will be lower to TDBC if the apprentices are, when appointed, aged below 18. Inflationary increases for pay awards will be built into the normal TDBC budget setting cycle.

## **5. Finance Comments**

The HRA Business Plan includes provision of up to £24,000 per annum for an apprentice scheme. This proposal can be funded from these existing resources and so will not have an impact on the overall position of the HRA.

It is expected that the national hourly rate for apprentices will continue to rise with above inflationary uplifts until 2020 – in line with the introduction of the National Living Wage. These increases will be addressed as part of the annual budget setting process.

## **6. Legal Comments**

Contracts of employment will be entered into with each apprentice which is routine for the service. Therefore, it is not considered that any significant legal issues will arise from this report.

## **7. Links to Corporate Aims**

The proposal within this report is linked to the following Corporate aims:

- Aim 2 – a vibrant economic environment – increase the economic activity within the Borough including the number and value of jobs.
- Aim 3 – a vibrant social, cultural and leisure environment – work with partners to improve the lives of our most vulnerable households.

## **8. Environmental and Community Safety Implications**

There are no environmental implications identified as a result of information or actions contained or referred to within this report. Housing and Communities aims to take action so that disadvantaged communities will have better access to local housing services, training and employment.

## **9. Equalities Impact**

A full Equalities Impact Assessment was included with the approved Housing Revenue Account Business Plan 2012-2042. Applications to the scheme are open to all and as such no potential discrimination amongst the protected groups has been identified.

## 10. Risk Management

There are no significant risks identified with the introduction of this scheme.

## 11. Partnership Implications

The service is not entering into a formal partnership agreement with a local college in relation to operating the scheme. However, the service will be working very closely with one of Taunton Deane's local colleges.

## 12. Recommendations

The Executive is recommended to approve the introduction of the proposed Apprenticeship Scheme in Housing and Communities.

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