

People, Performance and Development Committee 29 October 2014

Opportunities for Young People Leaving Education

Purpose of the report:

Following the success of the internal apprenticeship scheme over the last 5 years, further progression opportunities are required for our apprentices to move onto higher apprenticeship qualifications.

This report is being brought to People, Performance & Development to update the committee.

Recommendation

The People Performance and Development Committee are asked to agree compensation changes to the apprentice scheme as set out in Appendix D to enable Surrey County Council to continue to support young people who are not participating in Employment, Education & Training (NEET) and encourage them to take up apprenticeship opportunities across a wide variety of professions.

Introduction:

- 1. Surrey County Council (SCC) offers a range of opportunities for young people leaving education, including paid apprenticeships and unpaid traineeships. See **Appendix A** for the current offering from HR.
- 2. The initial scheme offered a level 2 (intermediate) and a level 3 (advanced) qualification (see Appendix B) with salaries of £10,707.52 and £12,245.20, agreed at The People Performance and Development Committee in 2009 and in line with the national guidance.
- 3. The apprenticeship scheme has been successful in providing over 300 apprenticeship places since the scheme began in 2009.
- 4. For the period 1 April 2009 until 1 September 2014, 56% of apprentices have secured permanent employment at Surrey or have gone on to further training at the level 3 qualification at SCC. The personal growth of these individuals has been considerable. The other 44% have sought opportunities elsewhere, such as training, further work experience or paid employment.
- 5. Surrey County Council have recently been in the position where we have been able to progress some apprentices to a higher level 4 qualification.

Current Situation

- 6. As the popularity of apprenticeship programmes has grown at the national level, structured apprenticeship qualification frameworks have been extended across a range of professional areas and at a range of qualification levels. These are levels 4, 5 and 6 which are considered as equivalent to a work-based degree.
- 7. The initial salary infrastructure for our apprentices has two pay points to allow progression from a level 2 qualification to a level 3 qualification (as detailed in Appendix B); This framework was not designed to support the growth of the national scheme to a higher apprenticeship level.
- 8. By offering this progression opportunity, SCC would be in a position to take on more young people at different levels within the organisation, thus contributing to the reduction of NEET young people in Surrey.
- 9. Higher apprenticeships (qualification level 4-6) are seen as an alternative to university: The young person completes a work-based degree whilst gaining valuable work experience, and does not incur a student loan debt.
- 10. In the past, higher apprenticeship qualifications have been offered in subject areas which are not supported at Surrey County Council, for instance in engineering or aircraft maintenance. However, more recently, higher apprenticeship qualifications have been developed in key business areas such as HR, legal, finance, PR and other similar disciplines.
- 11. Some services are keen to use higher apprenticeships as part of succession planning.
- 12. Recent research by the Chartered Institute of Legal Executives suggests that more work could be delegated to paralegal staff, and at paralegal level, there is likely to be growth of at least 18% in the next five years. Legal now utilise the work of their paralegals within the team and a higher apprenticeship would give a young person the long-term goal of becoming a paralegal.
- 13. Setting up this point 3, 4, 5 pay progression route (see Appendix D for details) will enable our services to offer new opportunities to existing apprentices, which will have a positive impact on employee advocacy. It will also offer further entry-level opportunities for new apprentices into a professional discipline, thus supporting our Fairness and Respect strategy targets (See report on this agenda)

Conclusions:

- 14. In response to these options, the proposal is to extend the existing salary range to include a point 3, a point 4 and point 5 scale to offer progression opportunities. See **Appendix D for** details.
- 15. This will allow us to support more young people into our organisation and allow progression through the apprenticeship scheme without the need for multiple job specifications across the organisation.
- 16. It allows us to have a higher apprentice job description at all ensures consistency in financial reward, giving flexibility to the organisation and making the process easier for managers to operate.
- 17. The current apprenticeship pay structure works well.

18. Finance have been able to introduce a higher apprenticeship to complete a CIPFA qualification which will allow a young person to support the finance team and also compliment the team's/service's existing structure.

Financial and value for money implications

19. The cost of progressing an apprentice to a higher apprentice qualification and consequently a higher point on the apprentice pay scale would be the cost of the salary plus the cost of training. Training costs depend upon the qualification subject and will be borne by the service or central budget. The organisation benefits from the new skills acquired by the young person completing the qualification. It is expected that this will have a positive impact on employer advocacy and we would contribute to reducing the NEET community.

Equalities and Diversity Implications

- 20. These proposals will impact positively on residents and staff as it will provide them with more entry routes to join our organisation, and give existing apprentices the opportunity to progress into higher qualifications.
- 21. With the creation of this route, those individuals with special needs would have a greater opportunity to apply. This is because we are creating a stepping stone for them to progress up from a traineeship route (which covers unpaid work experience through to a higher level qualification).
- 22. An EIA has been undertaken initially on the apprenticeship scheme so no further impact assessment is required.

Risk Management Implications

23. Turnover could increase without offering this progression opportunity, and we may lose existing apprentices we have invested in and trained and we will be unable to "grow our own" staff.

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Sources/background papers: None

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