

Cabinet Meeting on Wednesday 20 March 2024

Provision of Apprenticeship Services 2024



Philip White Deputy Leader and Cabinet Member for Economy and Skills said,

Philip White, Deputy Leader and Cabinet Member for Economy and Skills at Staffordshire County Council said: "Skills are the life blood of any economy and having a skilled workforce is essential if we are to grow the Staffordshire economy and attract further investment and more businesses.

"Apprenticeships are key to this and last year 6,300 people started an apprenticeship in Staffordshire.

Apprenticeships are also an important aspect of workforce development for Staffordshire County Council. We currently have over 100 apprentices doing 35 different subjects and a further 95 apprentices working in our grant-maintained schools.

"As use of the Apprenticeship Levy becomes more established, and we use it to create a workforce with skills for both now and the future we need access to a wide range of specialist training providers. The appointment of Crown Commercial Services will make sure training is delivered by providers who have been approved and checked for due diligence. It will make it more efficient to award and manage the increasing number of contracts.

Report Summary:

From May 2017 Staffordshire County Council (the 'Council') have been paying into the Apprenticeship Levy. Since 2019, Cabinet have given approval for the use of two Dynamic Purchasing Systems (DPS) which have since expired.

The council requires an alternative DPS system. As the Levy starts to embed, funds spent are increasing as they are being used as a way to tackle skills shortages by upskilling the workforce and recruiting apprentices to new posts. The council needs to be confident that the providers delivering training are robust and have undergone the necessary due diligence. It would be inefficient to procure provision on a case by case basis, hence the procurement of a new DPS system.

Recommendations

I recommend that Cabinet:

- a. give approval for the Council to join Crown Commercial Service, Apprenticeship Training Dynamic Marketplace – Framework RM6102 until April 2025.
- b. review this in April 2025 to consider whether it is appropriate transfer to the CCS new framework RM6303 after considering the Apprenticeship Strategy that is currently being commissioned, through People Services;
- c. and approve the Assistant Director for Skills and Employability to be authorised to approve the award of contracts with training providers and the release of funds from the apprenticeship levy to fund training.



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Recommendations of the Deputy Leader and Cabinet Member for Economy and Skills

I recommend that Cabinet:

- a. give approval for the Council to join Crown Commercial Service, Apprenticeship Training Dynamic Marketplace – Framework RM6102 until April 2025;
- b. review this in April 2025 to consider whether it is appropriate transfer to the CCS new framework RM6303 after considering the Apprenticeship Strategy that is currently being commissioned through People Services;
- c. and approve the Assistant Director for Skills and Employability be authorised to approve the award of contracts with training providers and the release of funds from the apprenticeship levy to fund training.

Local Member Interest:

N/A

Report of the Skills and Employability Team

Reasons for Recommendations:

1. Skills and Employability have been working alongside colleagues in procurement to consider the available options and they produced a sourcing strategy in order for us to understand what was open to us in the current the market.
2. The alternative to using a dynamic purchasing system is to undertake lengthy and time-consuming procurement exercise for each different apprenticeship standard, undertaking due diligence and background checks for each provider, including more complex items such as cyber security and governance, which will be a significant draw upon resources across the council.
3. As use of the Levy becomes more established and we use it to bridge skills gaps and create a workforce with skills for both now and the future we will need access to specialist training providers that offer services that

are delivered in a way that benefits the organisation and apprentice. There are currently 689 apprenticeship standards available ranging from level 2 to 7 with another 64 standards in development.

4. Schools are being actively encouraged to use the Levy. The Skills and Employability team are linking with the Staffordshire Education Leaders Network to promote the use of apprenticeships within their organisation and further communication is being circulated through the school bag.
5. The previous two DPS systems used by Staffordshire County Council have been discontinued by their organisations. Key to the new framework will be longevity, with Crown Commercial Services (CCS) being one of the biggest public procurement organisation in the UK working across the public sector. Further advantages are:
 - a. Time savings in accessing framework agreements will be a faster process than conducting a full tender process.
 - b. A digital marketplace where the filtering function makes it easy to identify providers based on the needs set out in the specification.
 - c. All training providers have been assessed for financial stability, track record, experience, technical and professional ability. This also includes social value and initiatives.
 - d. All providers are ESFA and Ofsted assured.
 - e. The use of Docusign is available when awarding contracts which simplifies and digitalises the award process.

Background

6. Since the beginning of the Apprenticeship Levy in 2017 procurement of Apprenticeship services has included the following:
 - a. May 2017- February 2019 Managed Service Entrust Ltd.
 - b. March 2019 – September 2020 Nottingham City Council Directory of Approved Apprenticeship Providers Service (discontinued).
 - c. October 2020 – September 2024 Eastern Shires Purchasing Organisation DPS (discontinued).
 - d. Proposal would be to use CCS for the duration of the framework RM6102 until it expires April 2025
 - e. RM6102 framework ends in April 2025 we have been assured that the the new framework will be made live in February 2025
 - f. To consider extending this to RM6303 the replacement of framework RM6102
7. The Levy remains constant, the previous academic year financial information is as follows:

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|----------------------------------|------------|
| a. Levy paid | £1,252,174 |
| b. Spend (including transfers) | £790,326 |
| c. Expired funding | £360,438 |
| d. Funding at risk of expiration | £131,410 |
8. Each month, apprentices on programme are paid from the Digital Services Account (DAS). Each live apprentice generates 20% of the cost of the apprenticeship as a completion payment.
- An on-programme payment: (80% of the cost of the apprenticeship divided by the number of months of the programme).
 - Once those payments have been made the provider gets **no further payment** until completion, although the apprentice may still be on programme.
 - Completion payment 20% when the apprentice has achieved the qualification.
9. The Levy spend is often unpredictable due to factors such as apprentices:
- taking a break from learning,
 - leaving the programme of learning,
 - extending their end date,
 - and waiting on available dates to sit their end point assessment.
10. On programme as of 31 December 2023 we have:
- 204 live apprentices on programme (programmes ranging from 1 to 5 years),
 - total training costs for their courses £2,280,393,
 - of the 204 live apprentices, 95 are from over 50 different grant-maintained schools,
 - 45 different training providers,
 - covering 44 different apprenticeship standards.

The Wider Context

11. The Skills and Employability team host a graduation ceremony inviting apprentices from Staffordshire employees that have achieved their apprenticeship during the year. This apprenticeship graduation ceremony is now in its 9th Year. Employers and training providers also attend to celebrate achievement and network at this event. In 2024 we are utilising the 'We are Staffordshire branding' to further promote apprenticeships across the County.

12. The team also work closely with the Careers and Enterprise Company and the Careers Hub in Promoting Apprenticeships and Technical Education (ATE) Intelligence, which was gathered to identify baselines for local parent and teacher knowledge, understanding and awareness of ATE routes. The hub responded to findings by hosting seminars, CDP opportunities, workshops and resources including [Look at me now.](#) A dedicated site for sharing of free resources for Teachers, Parents and Students for Apprenticeships and Technical Education, as well as showcasing success stories of apprentices.
13. Skills and Employability are supporting the Staffordshire Ladder in running a large scale campaign to get a minimum of 1500 apprenticeships across Staffordshire by 2025. The Ladder will also be encouraging employers to pay more than the minimum apprenticeship wage. Staffordshire County Council lead by example and encourage grant maintained schools to do the same.
14. The Skills and Employability team are currently working with the Leaving Care team within the authority and colleagues in West Midlands Local Authorities to explore how best to support care leavers and ringfence apprenticeship opportunities for them.
15. There is further promotion during the national Apprenticeship Week to promote apprenticeships internally and externally. Including a big push internally to encourage managers to utilise apprenticeships to both upskill existing staff and for recruitment of new employees.
16. The County Council is an active partner of the West Midlands Ambassador Network and Staffordshire sub-branch. Working alongside the Careers Hub to share best practice amongst local authorities and businesses and connecting with Staffordshire's Schools to promote apprenticeships as a strong choice for school leavers.
17. 2023 also saw the County Council's first cohort of T Level students join the organisation. As well as embarking on an extended work placement, the T Level will ensure that these students leave their course 'work ready'. T levels are closely aligned with apprenticeships and natural progression for these students may be joining the workforce, higher level apprenticeships or higher education as a next step.

Resource and Value for Money Implications

18. There is no cost to the council to join the DPS, training providers will be charged a 1% fee by CCS.

19. CCS allows rapid awards. Suppliers have completed a template of built in questions so quality between suppliers can be evaluated.
20. Built in discounts have been applied by suppliers in the rapid award section of the DPS.

Climate Change Implications

21. Apprenticeships have nearly 700 standards, a number of these can be aligned to include improving our environment and contributing to our ambitions to reach net zero carbon by 2050. As we use apprenticeships to build skills for now and the future there are exciting qualifications such as Junior Energy Manager at Level 3, helping the organisation meet sustainability commitments by reducing energy consumption and reducing costs, and Ecologist Level 6 (degree) studying the relationships between living things and their environment to help to resolve potentially conflicting demands between economic development and the environment. To help further Staffordshire's progression towards net zero Staffordshire County Council and strategic partners have secured funding from Innovate UK to further understand net zero market demand and associated skills needs, including apprenticeships, for Staffordshire, both now and in the future

List of Background Documents/Appendices:

Community Impact Assessment

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