



Notice of a public

Decision Session - Executive Member for Economy and Strategic Planning

To: Councillor Waller (Executive Member)

Date: Tuesday, 26 April 2022

Time: 10.00 am

Venue: The Snow Room - Ground Floor, West Offices (G035)

AGENDA

Notice to Members – Post Decision Calling In:

Members are reminded that, should they wish to call in any item* on this agenda, notice must be given to Democracy Support Group by:

4:00 pm on Thursday 28 April 2022 if an item is called in *after* a decision has been taken.

*With the exception of matters that have been subject of a previous call in, require Full Council approval or are urgent which are not subject to the call-in provisions. Any called in items will be considered by the Customer and Corporate Services Scrutiny Management Committee.

Written representations in respect of item on this agenda should be submitted to Democratic Services by **5.00pm on Friday 22 April 2022**.

1. **Declarations of Interest**

At this point in the meeting, the Executive Member is asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which he may have in respect of business on this agenda.

2. **Minutes** (Pages 1 - 4)

To approve and sign the minutes of the meeting held on 28 February 2022.

3. **Public Participation**

At this point in the meeting members of the public who have registered to speak can do so. Members of the public may speak on agenda items or on matters within the remit of the committee.

Please note that our registration deadlines have changed to 2 working days before the meeting. The deadline for registering at this meeting is **5:00pm on Friday 22 April 2022**.

To register to speak please visit www.york.gov.uk/AttendCouncilMeetings to fill out an online registration form. If you have any questions about the registration form or the meeting, please contact the relevant Democracy Officer, on the details at the foot of the agenda.

Webcasting of Public Meetings

Please note that, subject to available resources, this public meeting will be webcast including any registered public speakers who have given their permission. The public meeting can be viewed live and on demand at www.york.gov.uk/webcasts.

During coronavirus, we've made some changes to how we're running council meetings. See our coronavirus updates (www.york.gov.uk/COVIDDemocracy) for more information on meetings and decisions.

4. Inclusive Growth Update (Pages 5 - 32)

This report summarises City of York Council's developing narrative for York in the context of the Government's Levelling Up white paper. The report also provides an update on the actions set out in the Inclusive Growth Fund, as agreed by the Executive Leader at his Decision Session on 18th September 2019, and more broadly on recent data on the York economy as set out in Annex A.

5. Apprenticeship Update (Pages 33 - 48)

The Executive Member will consider a report which provides an update on apprenticeships in the city.

6. Urgent Business

Any other business which the Executive Member considers urgent under the Local Government Act 1972.

Democracy Officer

Joseph Kennally

Contact details:

- Telephone – (01904) 551573
- Email joseph.kennally@york.gov.uk

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym języku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی میا کی جاسکتی ہیں۔ (Urdu)

 **(01904) 551550**

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting

- Registering to speak
- Written Representations
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above

City Of York Council

Committee Minutes

Meeting	Decision Session - Executive Member For Economy And Strategic Planning
Date	28 February 2022
Present	Councillor Waller

35. Declarations of Interest

At this point in the meeting, the Executive Member was asked to declare any disclosable pecuniary interest or other registerable interest that he might have in respect of business on this agenda, if they he not already done so in advance on the Register of Interests. None were declared.

36. Minutes

Resolved: That the minutes of the meeting held on the 25 January 2022 be approved as a correct record and signed by the Executive Member.

37. Public Participation

It was reported that there had been one registration to speak under the Council's Public Participation Scheme.

Cllr Mark Warters spoke on matters relating to the general remit of the decision session. He spoke on the December 2021 Full Council motion on a review of the HMO supplementary planning document, stating that the motion had instructed the Executive to carry the review out immediately with a view to halving the acceptable percentage thresholds for HMOs in York. Cllr Warters protested that the issue had been scheduled for consideration in April 2022's meeting of the Executive. He stated that he had written to the Executive Member and the Director of Economy and Place on this issue but had received no response, and asked whether a public consultation would be legally required to implement the review, and if so how long would it take. Cllr Warters requested a full update on progress made on the review.

38. York Business Week – 2021 Review

The Executive Member considered a report which provided him with an evaluation of York Business Week 2021, and proposed changes to its operating model for the future. The Head of Regeneration Programmes and Sector Development Manager were in attendance to present the report and respond to questions.

Key points raised during the presentation of the report included:

- Small businesses were very well represented at York Business week, with around 60% of the attending companies having 1-5 employees.
- There were a number of ideas to change the event going forward, including further usage of virtual events and changing the focus from council events during the week to supplement business events throughout the year.
- It was proposed to undertake consultations with partners in the city to determine the future operating model.

Comments from the Executive Member included:

- That he felt it was sensible to extend the events across the year rather than to concentrate them in one week.
- It was important to show that the York Business Week provided value for money, which the survey had demonstrated.
- The York economy had been put in an advantageous position to recover from the Covid-19 pandemic due to the collaboration and partnerships established.
- That there ought to be an emphasis on bringing the principles and topics of York Business Week into York schools, for example to generate an interest in the railway industry in young people.

Resolved:

- i. That the contents of the report be noted.
- ii. That the alternate operating models for York Business Week moving forwards be considered.
- iii. That further engagement with partners on the future operating model for York Business Week be supported, with a report coming back to a Decision Session in the spring.

Reason: To support the Council's delivery of business-focussed events across York.

39. Urgent Business

The Executive Member commented on his and the Council's concern regarding the Russian invasion of Ukraine, especially with reference to the 5 York residents who were caught in the conflict.

CLLR A WALLER, Executive Member

[The meeting started at 10.00 am and finished at 10.14 am].

This page is intentionally left blank



**Decision Session –
Executive Member (Economy and
Planning)**

26th April 2022

Inclusive Growth Update

Summary

1. This report summarises our developing narrative for York in the context of the Government’s Levelling Up white paper.
2. The report also provides an update on the actions set out in the Inclusive Growth Fund, as agreed by the Executive Leader at his Decision Session on 18th September 2019, and more broadly on recent data on the York economy as set out in Appendix A.

Recommendations

3. The Executive Member is asked to:
 - 1) Note the developing narrative on Levelling Up in York
 - 2) Note the progress that has been made on the agreed Inclusive Growth Fund projects

Reason: So that the Council nurtures a pipeline of projects that positively address inclusive growth and Levelling Up in the City of York.

Background

4. Government issued its Levelling Up white paper – “Levelling Up the United Kingdom” – in February 2022. This sets out the national approach to rebalancing the economy, and will guide local approaches as it is the framework against which funds such the Levelling Up Fund and UK Shared Prosperity Fund will be allocated. It is also a key document for other Government competitions such as that currently underway to decide the location of the new Great British Railways HQ.

5. The Levelling Up white paper sets out Government policy across a range of areas including infrastructure, skills, health, welfare and industrial development. Its purpose is to transform places and boost local growth, and it aims to foster innovation and private sector investment alongside local pride and resilience. Its scope is much broader than our focussed approach to inclusive growth, and the relevance of the White Paper extends beyond economic development and into key Council service areas such as transport, regeneration, skills, culture and communities.
6. As we have already set out, the York approach to Inclusive Growth recognises that for economic growth to be inclusive, its benefits must be felt by all those in society, regardless of where they live, how they make a living, and who they are. Inclusive growth cannot have neighbourhoods that are left behind, opportunities that are only selectively available, or a two-tier economy where some people do well at the expense of others who are not. There are multiple, hidden impacts for those excluded, including mental health issues, families falling into poverty and social stigma.
7. A budget of £300k was provided by the Council through its supplementary budget in 2019 which was allocated to eight projects by the Executive Leader at his Decision Session on 18th September 2019, as discussed below.
8. The current status of the Inclusive Growth Fund projects is as follows:

Project title	Funding allocated	Current status
Establishing a York Poverty Commission	£20k	In progress via York CVS
Community hubs as drivers of economic growth	£40k	Complete
Greening our retail estate	£70k	On hold during Covid pandemic
Community jobs fairs	£30k	In progress via York Learning
14+ vocational training and work	£50k	In progress via York College
Independent retail growth fund	£40k	Partially allocated, on hold during Covid pandemic

Mental health, wellbeing and employment	£25k	In progress via York St John University
York Economic Strategy consultation	£25k	Ongoing

Levelling Up and the York economy

9. As the strongest economy in Yorkshire, York should also be one of the best performing cities in the country, yet we are only at or below the national average on both GVA and wage measures. Levelling Up for us means driving York up into the top 25% UK economies, providing a beacon for the rest of the North and opportunities for the millions who live within 60 minutes of our city.
10. For the Government, York provides significant Levelling Up opportunities, both in our local economy and across Yorkshire and the North East. Our economy exemplifies the challenges that the UK faces in spreading economic success beyond London and the South East.
11. Our most recent and important opportunity to capitalise on our heritage, location and highly skilled workforce is the bid for Great British Railway's National Headquarters (GBR HQ) to be located in York. This set out a strong case to invest in York and make the city a global hub for rail, while providing opportunities at all levels for the people of York, Yorkshire and the north. Seven hundred of the UK's most deprived communities are within 1 hour of York by rail, and this connectivity is key to making the most of York's opportunities in Levelling Up.
12. The nucleus of a world-class rail hub is already in place with the existing eco-system. It would be a catalyst across the region for people's aspiration, creating jobs at all skill levels across one of the most deprived regions in the country. It would also drive forward the regeneration of York Central, which will add £1bn GVA to the region's economy, meaning a double return on Government investment and maximising the impact on Levelling Up.
13. Our York Skills Plan 2020-2030 focusses on developing just this range of opportunity and shows the strength of commitment across the education and skills providers in our city to do just that. We are working closely with employers and the private sector to build the right pathways which will help the people of York and North Yorkshire to be ready for the jobs of the future.

Progress on Inclusive Growth – recent evidence

14. Since our last report on Inclusive Growth in February 2021, the UK economy has encountered a number of distinct economic challenges and adjustments that continue to impact our businesses and residents way of life. At present, the main challenge is dealing with the significant rise in the cost of living. National inflation is now running at 6.2% with wholesale energy costs and fuel prices driving this rise. Price rises will impact consumer and business confidence, and a slowing of economic growth can be expected according to the Bank of England. York's economy is not immune these economic difficulties and will do well to escape the negative impacts.
15. At the same time, there has been a number of statistical releases which provide an updated, and generally positive, picture of the state of the York economy. In terms of productivity (the quantity of goods and services produced per unit of labour), York is in line with the UK's levels as measured by Gross Value Added (GVA) per hour worked.
16. In 2019, for one hour worked in York, £34.60 GVA is produced which is 80p less than the UK as a whole. Granted, the UK has been having productivity issues since the 2007-08 financial crisis, and we are still above neighbouring Leeds and the Yorkshire & Humber levels for productivity, but as the strongest economy in the region, we should be doing better. As stated above, our aspiration is for York to be in the top 25% cities in the UK for productivity and wages.
17. With regard to pay in York, the latest statistics from the Annual Survey of Hours and Earnings highlights the strength of the York economy in the North of the UK but also underline a need for 'levelling up'. Full-time median weekly (gross) pay in York for 2021 was £597.90 which is lower than the UK median of £610.70, but higher than all the Northern regions and most leading Northern cities. However, York's pay levels trail comparable cities in Southern England. For example, Cambridge's and Oxford's median weekly pay is £130 and £67 higher than York's.
18. There are some positive signs that York's economy has benefited those lower down the income scale. Looking at the total weekly (gross) pay of residents across different income percentiles from 2008 to 2021, it is the lowest incomes that have grown the most in annual percentage change terms. The bottom 10th percentile grew 50%, 20th percentile by 46% and the 30th percentile by 51%, whilst the 80th percentile grew 31% and the 60th and 70th percentile grew 33%.

19. At the same time, looking at the regional gross disposable household income (GDHI) per head of population between 1997 and 2019, York appears to be trailing comparable Southern cities. GDHI is the amount of money that all of the individuals in the household sector have available for spending or saving after they have paid direct or indirect taxes and received any direct benefits. It is estimated that a York household's GDHI was £20,216 in 2019. Bath & NE Somerset, which has roughly 15,000 less people than York, had a GDHI of £22,848 in 2019. Cambridge's GDHI was £25,105 in 2019.
20. York continues to remain a highly skilled city. Using data from the Annual Population Survey, which is based on interviews with the members of randomly selected households in the UK, it is estimated that in December 2020 that 47% of York's working age population had a NVQ4 or higher, which is 4 percentage points higher than the UK. 83% of York's working age population was estimated to have NVQ2 or higher and just 5% were estimated to have no qualifications.
21. The highly skilled status of our working age population is reflected in the type of jobs that exist in York. Using data from the Annual Population Survey, we can compare the levels of employment registered in high skilled, middle skilled, service-intensive and manual jobs from December 2004 up until September 2021. As of September 2021, York now has 21,300 more high skilled jobs which is a massive success. At the same time, it has lost 3,600 middle skilled jobs, 3,200 service-intensive jobs and 1,400 manual jobs. In total York has 61,700 registered in high skilled jobs, 18,800 registered in middle skilled jobs, 13,000 registered in service-intensive jobs and 16,400 in manual jobs.
22. Delving deeper into these jobs statistics, it appears that many of the part-time opportunities in York exist in sectors where pay is typically lower in comparison to other sectors. From the latest cut of Business Register and Employment Survey, the sectors in which part-time employment is highest are Retail and Wholesale (8,000), Health and Social Work (7,000) and Accommodation and Food (6,000). The Accommodation and Food sector is the only sector in York in which part-time work (6,000) is greater than full time work (4,000).
23. York's claimant count has continued to decrease. In fact, since February 2021, the number of people claiming out of work benefits decreased for 11 consecutive months. The provisional figure for February 2022 is that there is 2,870 people claiming out of work benefits, which is still roughly 1,000 more people than pre-Covid and the highest number since April 2013, suggesting that the pandemic has left some scarring on the labour

market. It is worth noting, however, that back in February 2021 there were 4,925 claiming out of work benefits and a further 15,900 furloughed, highlighting the progress made in this area. York also continues to remain the best performing city on the Centre for Cities unemployment tracker with just 2.6% of its working-age population claiming unemployment-related benefits.¹

24. New statistical releases also show that York's house and rent prices have further increased. Unlike the 2007-08 financial crisis, house prices in York have continued to rise since the first Covid-19 lockdown. In fact, house prices have continually risen since 2011 with the average price paid for a dwelling in the year ending September 2021 being £315,260², which is an increase of £27,627 from a year earlier. This is higher than the Yorkshire and Humber region average of £227,615 but lower than the English and Welsh average of £350,984. In terms of rents, the overall average for rent payments in York was £853³ in the year ending September 2021, which is an increase of £59 from a year earlier. Median rents increased by £25 for studios, 1 bedroom, 2 bedroom and 3 bedroom properties from a year earlier. These increases have resulted in York being ranked as an area that has housing affordability similar to the average for England and Wales but poorly in comparison to much of the north of the UK⁴.

Inclusive Growth Fund Project updates

Establishing a York Poverty Truth Commission

25. Funding for the Poverty Truth Commission (PTC) has now been released to York Centre for Voluntary Services (CVS) who are now working to establish a commission. Across October 2021 two preliminary sessions were held to get an understanding of what a PTC might look like in York and to talk to those who might like to get involved. Since then York CVS have been looking at other PTCs and the type of organisations that could help them find Community Commissioners. York CVS are now about to

¹ Centre for Cities Unemployment Tracker – <https://www.centreforcities.org/data/uk-unemployment-tracker/>
- last updated on the 15/03/22

² ONS: Mean house prices for administrative geographies: HPSSA dataset 12 – <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/meanhousepriceforationalandsubnationalgeographiesquarterlyrollingyearhpssadataset12>

³ ONS: Private rental market summary statistics in England – <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/privaterentalmarketsummarystatisticsinengland>

⁴ ONS: Housing Affordability in England and Wales: 2021 – <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/housingaffordabilityinenglandandwales/2021>

start talking to organisations about recruiting commissioners and this will be the basis of their work for the next few months.

Greening our commercial estate

26. This project remains under review, with investment on hold during the Covid pandemic

Community Hubs

27. As outlined in the previous report, this project is complete.

Community Job Fairs

28. The Community Job Fairs, run by York Learning have also been subject to postponements due to COVID. These events usually take place twice a year at the York Railway Institute, however there was no Fair at all in 2020 due to the restrictions in place.
29. The team was able to run a Fair in October 2021, but it had to be limited by COVID restrictions in terms of exhibitor numbers and attendee capacity.
30. By contrast, the Job Fair in March 2022 had much more of the 'buzz' usually associated with previous events. Although the number of exhibitor numbers had to be limited to allow for social distancing, as well as guest numbers being capped at 60 at any one time, this was an increase of 20% on the number of attendees from October 2021. All exhibitor slots were filled and a waiting list had to be established to cope with interest. It was positive to note that the numbers of attendees increased to just over 130, with a total of 402 prospective job seekers attending.
31. Based on this experience, plus the obvious interest from companies coming to exhibit, the next event planned for later in 2022 will increase delegate numbers back to pre-COVID levels of 80 exhibitors.
32. From a York Learning perspective, the team has benefited hugely the Job Fairs initiative, and they have been able to recruit learners for various programmes including ever-popular English and Maths, ESOL provision, their vibrant Information, Advice and Guidance programme and the thriving Digital Skills courses.
33. The Work Based Learning team was also able to give out information on apprenticeship courses with local and regional employers in the area and offered 23 jobs with local employers. The IAG, Functional Skills, ESOL and Family Learning teams have reported 17 referrals onto their courses

from the Job Fair, and the Digital Skills offer had 16 referrals, with a number of those already starting their course, or signing up for a course.

14+ Vocational Training and Work

34. There are ten Year 11 students training in Construction at York College at present. This has been a one year course due to COVID disruption. The intention is to run a new 10 place cohort studying for two years from September 2021, as was the initial intention.
35. *Kickstart* placements had to commence by 31st March 2022, which means the most recent six month placements will end on 30th September 2022. There is no expectation within the scheme for employer to employ (and take over paying salary, pension and NI) beyond that date but participants should be in a stronger position to apply for other roles / progress after having been on the programme.
36. The impartial [Apprenticeship Hub](#) is here to support employers interested in taking on apprentice, including those who wish to progress their *Kickstart* employee via the apprenticeship route.

Independent Retail Growth Fund

37. Whilst this work on this has not progressed as resources have been diverted to COVID support work, measures have been taken to ensure independent local businesses have received as much targeted support as possible. Now that Government support has ended, the remaining element of this fund is available to continue our activity over the coming year. A Traders' forum will be held shortly to discuss the best use of what funding remains.
38. The resources provided by Government during the pandemic have been used to support and expand our work with independents. Some examples of work delivered are as follows:

Strong business and partner engagement

39. The Council recognised that additional difficulties caused by the pandemic compounded existing challenges faced by the evolution of the High Street, the changing needs of customer experience and pressures brought about by online shopping and out of town centres.
40. The Economic Growth Team has continued to increase engagement with York businesses, supporting Traders' Associations across the city, holding

roundtable sessions and business breakfasts to better understand how the authority can support local business, and has strengthened the working relationship with Indie York by maintaining a regular dialogue with them.

41. Numerous local projects have been enabled through this partnership work, including the Goodramgate Heritage Trail map, the 2021 Micklegate Mingle and Snow in the Shambles, all of which were designed to increase footfall and boost the economy across York, as well as encourage greater consumer confidence.

Financial support and grant funding

42. The Council has been able to alleviate some of the pressure on businesses through a series of grants to traders' associations and partner organisations, either directly from the Council, or from Government.
43. Several of these awards have been granted specifically to provide training programmes and skills support to aid post-pandemic recovery and secure employment after a difficult two years. Delivery of these schemes by partners including the Chamber and the Federation of Small Businesses will continue over the coming year.
44. The Council's Micro Business Grant was touched upon in the last report, and since then the Council has been able to award millions of pounds in support to businesses through various Government –funded schemes. The independent evaluation of the Micro Business Grant scheme showed that our intervention 300 businesses running through the early days of the pandemic, safeguarding nearly 500 jobs.
45. Most recently, the Omicron variant prompted the Government to allocate local authorities a further £102 million of funding for ARG payments, in parallel with additional rates-related grants through the Omicron Hospitality and Leisure Grant (OHLG).
46. York's share of the fund was £300,786, and this was used to support businesses experiencing at least a 30% drop in income as a result of the rise of the Omicron variant, but who were not eligible for any other form of COVID-19 grant.
47. To administer the funding, the Council was required to establish a robust and auditable application process, bearing in mind that previous award schemes had been open to abuse across the country, and it was essential that funding went to eligible recipients.

48. In total, 195 applications were received, with 117 of those agreed based in the criteria set out on the Council's website. Funding remaining in contingency meant that the Council was able to award an additional £492.40.
49. In November 2020, Portfolio Holders approved a recommendation for £500k from the Council's Additional Restrictions Grant allocation to be allocated to a voucher-based scheme to support local businesses affected by pandemic
50. The rationale for delivering a voucher scheme was that it enabled businesses to think through the key issues they face before accessing local specialist resource to begin implementing these changes and the Council has been able to support 355 businesses to embark upon, and deliver, 434 projects locally.

Sector specific challenges

51. Although many businesses were able to flex in response to the challenges placed upon them by COVID restrictions, it became very clear from the direct pleas for assistance received that specific sectors were being more seriously impacted by restrictions than others.
52. In particular, the independent travel industry, music venues and events spaces were unable to trade in any capacity, leading to a devastating effect on their industries.
53. With Member agreement, the Council has been able to award ARG funding to these sector members to help lead them through the various Government phases out of lockdown, and thereby ensuring the survival of many SMEs who would otherwise have failed.
54. Without exception, the feedback from the recipients of all grant funding has been overwhelmingly positive.

Mental health, wellbeing and employment

55. A series of programmes initiatives and funding schemes have taken place since the last report, all of which were designed to support mental health, wellbeing and employment in the city.

Mental Health at York Business Week

56. Although we have now emerged from the tightest of the constraints brought about by the COVID 19 pandemic, the last two years have been extremely challenging in terms of mental health, wellbeing and stress, and small and micro businesses have been hit especially hard. The theme for York Business Week (YBW) in November 2021 was “Rebuilding for Growth”, aiming to engage the business community by delivering a week largely virtual content specific to business needs.
57. Hosted by City of York Council, and with key speakers from the University of York St. John with expertise in mental health, one of the events at YBW was Healthy Minds at Work. This brought people together to hear a series of topics, from academic research to practical support, and to listen to those from those who have had to overcome their own challenges.
58. Other organisations present included York CVS who spoke shared their Time to Change York project alongside a volunteer ‘champion’ who shared their experiences of mental ill-health to help end mental health stigma and discrimination in York, and a representative from Better Connect, who talked about the Thriving at Work project to help employees and SMEs thrive in the workplace.

York Economic Strategy and Partnership

59. Over the coming months we are continuing to develop the Economic and Climate Change strategies, as well as the Local Transport Plan and we want resident engagement (through the Our Big Conversation programme) to be more inclusive than ever to help shape and inform these key strategies.
60. To do this, we are using analysis, networks and inclusive approaches to make sure that Phase 2 of Our Big Conversation reaches all of York's communities, including the disabled community, children and young people, older people, students, black and minority ethnic people, and the LGBTQ+ community.
61. We reached over 2,000 residents in Phase One of Our Big Conversation but we know that certain communities were under-represented. This is why, during Phase Two of the programme, we want to focus on the views of these communities as well as collecting further insight to develop and implement these important strategies shaping York’s future.

62. This second phase of the engagement will inform the final stages of development and implementation of the Economic and Climate Change strategies, as well as the Local Transport Plan.
63. Phase two engagement will be more targeted than the earlier attitudinal survey, allowing us to test the acceptability of priorities defined within the draft strategies; deepen insight into the approach needed to implement these successfully (motivations, barriers and interventions); and understand the aspirations and attitudes of ‘missing audiences’ in phase one engagement (audiences identified below).
64. Resident engagement will follow the principles of the council’s resident engagement strategy. The engagement approach will make sure key audiences understand other perspectives and explore responses together in the setting of focus groups and in how we discuss and describe the engagement activity. For this stage, we also want to test particularly whether audiences are motivated by inspirational case studies and as a result, might report differing acceptability of strategic proposals to those who do not hear about the case studies.
65. Specifically, this includes:
 - Testing the acceptance of the current four key strategy headlines and subsequent priorities – gaining understanding on the required actions/policies/interventions needed to support residents and businesses.
 - Understanding the barriers to businesses adopting carbon reduction policies.
 - Cost/funding
 - support/training/workshops
 - networks/collaboration
 - Ideal business space – location, size, neighbours, cost, flexibility.
 - Further understanding the financial impact of the pandemic amongst those who identify as “worse off”.
 - Understanding barriers to employment and prosperity (aspirations) for under 30s in York (interventions).
 - Understanding how York’s transport connections impact businesses.
66. Following completion of this extensive and detailed consultation phase, a draft of the Economic Strategy will be taken to Executive in May, with the

completed Strategy scheduled to be signed off by Full Council in October.

Consultation

67. Consultation on potential projects for the Inclusive Growth Initiatives Fund has taken place with the Executive Leader and the Executive Member for Economy and Strategic Planning.
68. Consultation proposals for each initiative under the sub-themes will be set out in individual Project Initiation Documents.

Council Plan

69. The projects in the Inclusive Growth Initiatives Fund address the following outcomes from the Council Plan:
 - Good health and wellbeing;
 - Well-paid and an inclusive economy;
 - A better start for children and young people;
 - A greener and cleaner city; and,
 - Safe communities and culture for all.

Implications

- **Financial** – no new financial commitments. Previous commitments within the body of the report;
- **Human Resources (HR)** – no implications;
- **One Planet Council / Equalities** – the proposed project to green the Council's retail estate will address the Council's climate change challenge. A number of the proposed projects will positively support the Council's equalities objectives;
- **Legal** – no implications;
- **Crime and Disorder** – no implications;
- **Information Technology (IT)** – no implications;
- **Property** – depending on the findings of the survey, the proposed project to green the Council's commercial estate will have property implications. Any measures taken to improve the energy efficiency of the Council's commercial stock will need to balance commercial viability with environmental benefits.

Risk Management

There are no specific risks identified in respect of the recommendations.

Contact Details

Author:

Simon Brereton
Head of Economic Growth
Economy & Place
x2814

Chief Officer Responsible for the report:

Tracey Carter
Director – Housing, Economy &
Regeneration

Report Date
Approved

Wards Affected: List wards or tick box to indicate all **All**

For further information please contact the author of the report

Background Papers:

Annexes

Annex A – Inclusive Growth Evidence Base

List of Abbreviations Used in this Report

CYC – City of York Council

FSB – The Federation of Small Businesses

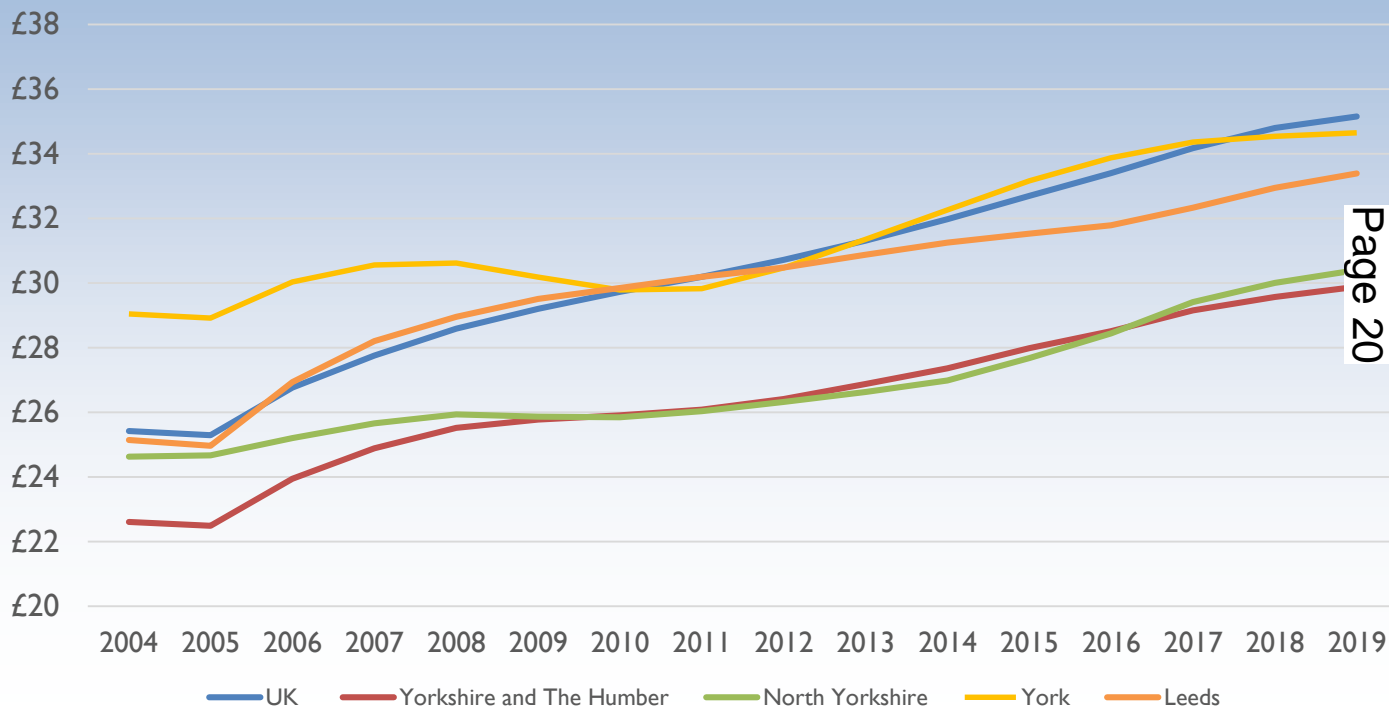
SME – Small or medium enterprise (referring to a business size)

Inclusive Growth Evidence Base

April 2022 Update

York is in line with the UK's productivity levels

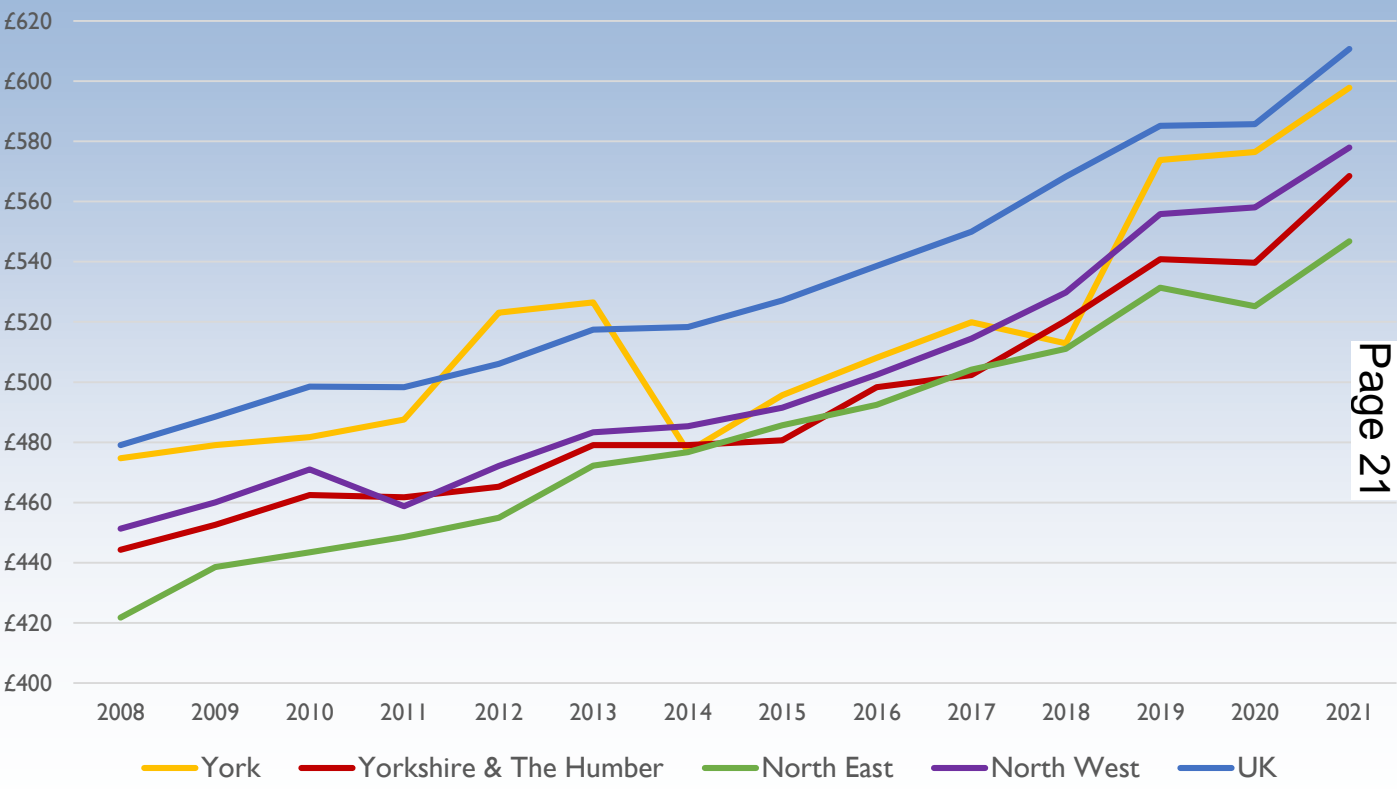
Productivity per hour worked



Page 20

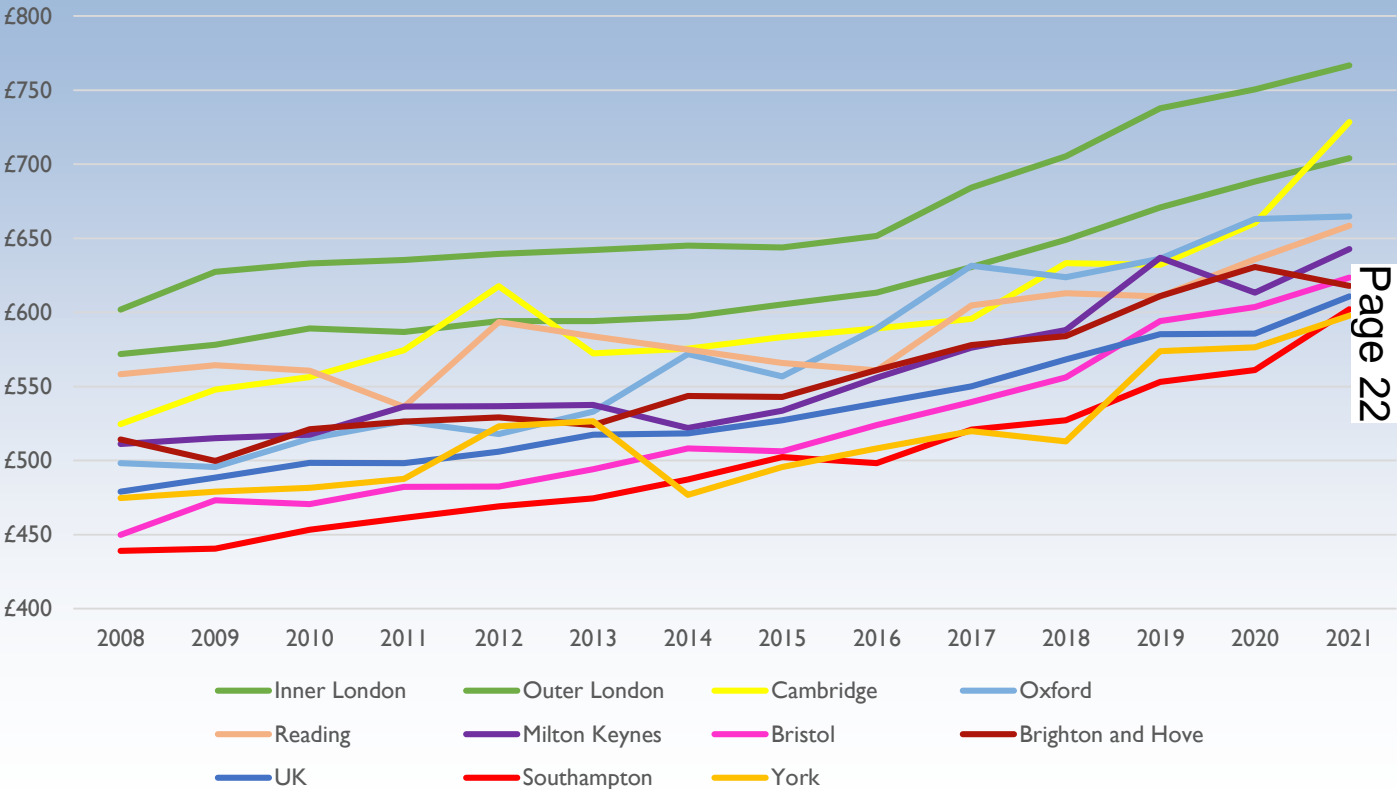
ONS: Subregional Productivity July 2021 Release – Nominal (smoothed) GVA (B) per hour worked (£); ITL2 and ITL3 sub regions, 2004 – 2019
To be updated: TBA

Full-time weekly pay in York is close to the UK median



ONS: Annual Survey of Hours and Earnings – 2021 Figures – Median Full Time Weekly Pay (Gross) – York Residents
To be updated: November 2022

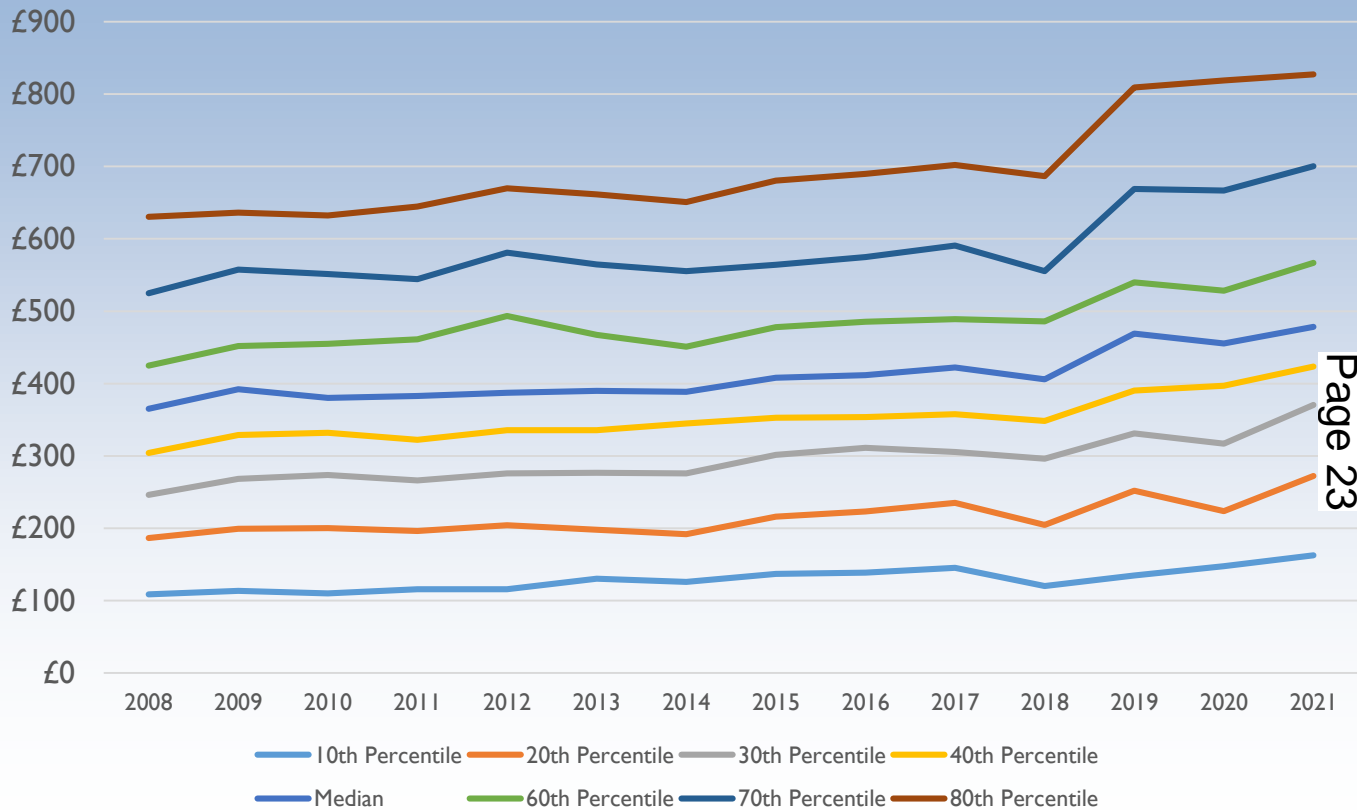
But, full-time weekly pay trails leading Southern cities



Page 22

ONS: Annual Survey of Hours and Earnings – 2021 Figures – Median Full Time Weekly Pay (Gross) – York Residents
To be updated: November 2022

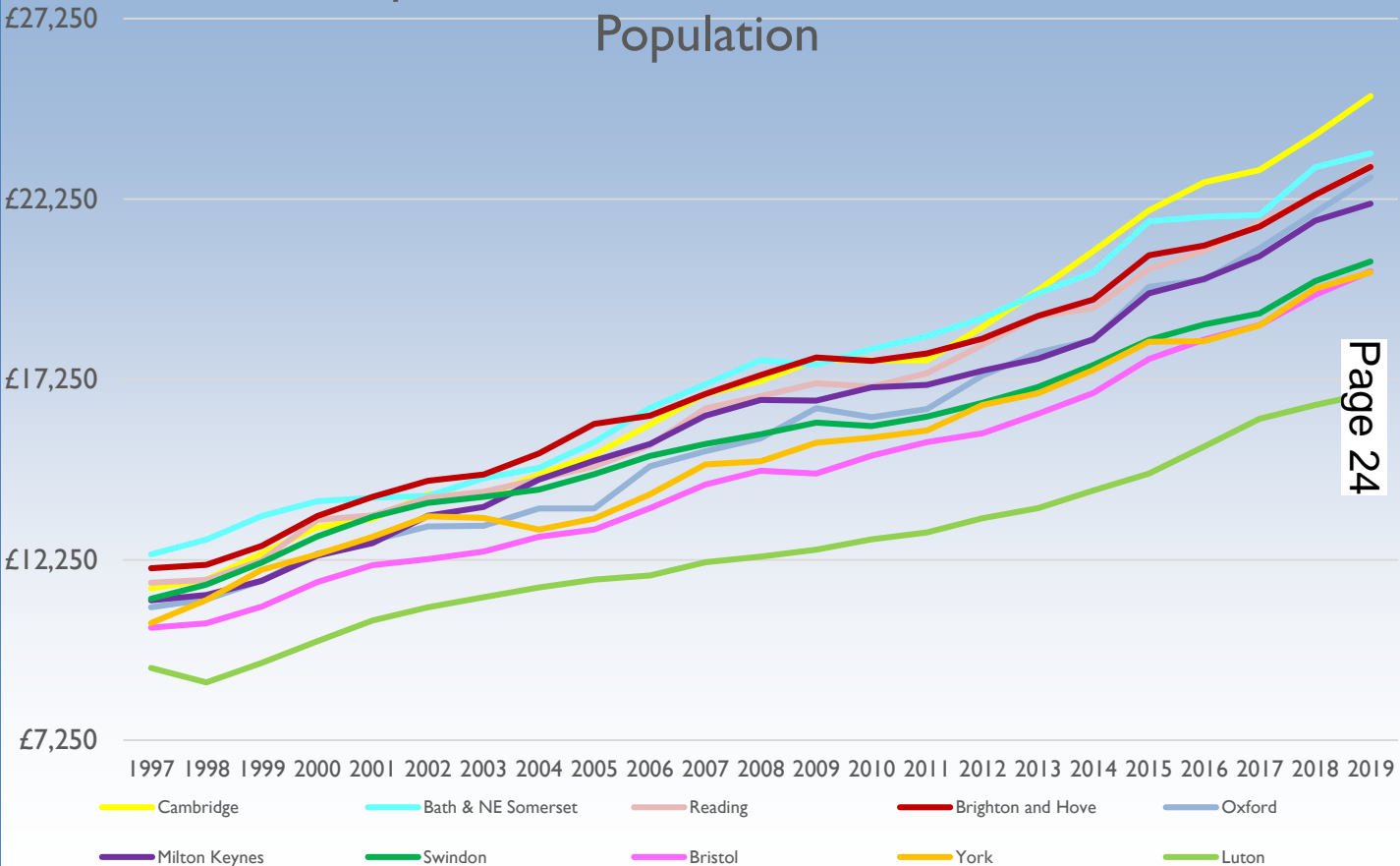
Total Weekly Pay in York by Income Percentile ANNEX A



Page 23

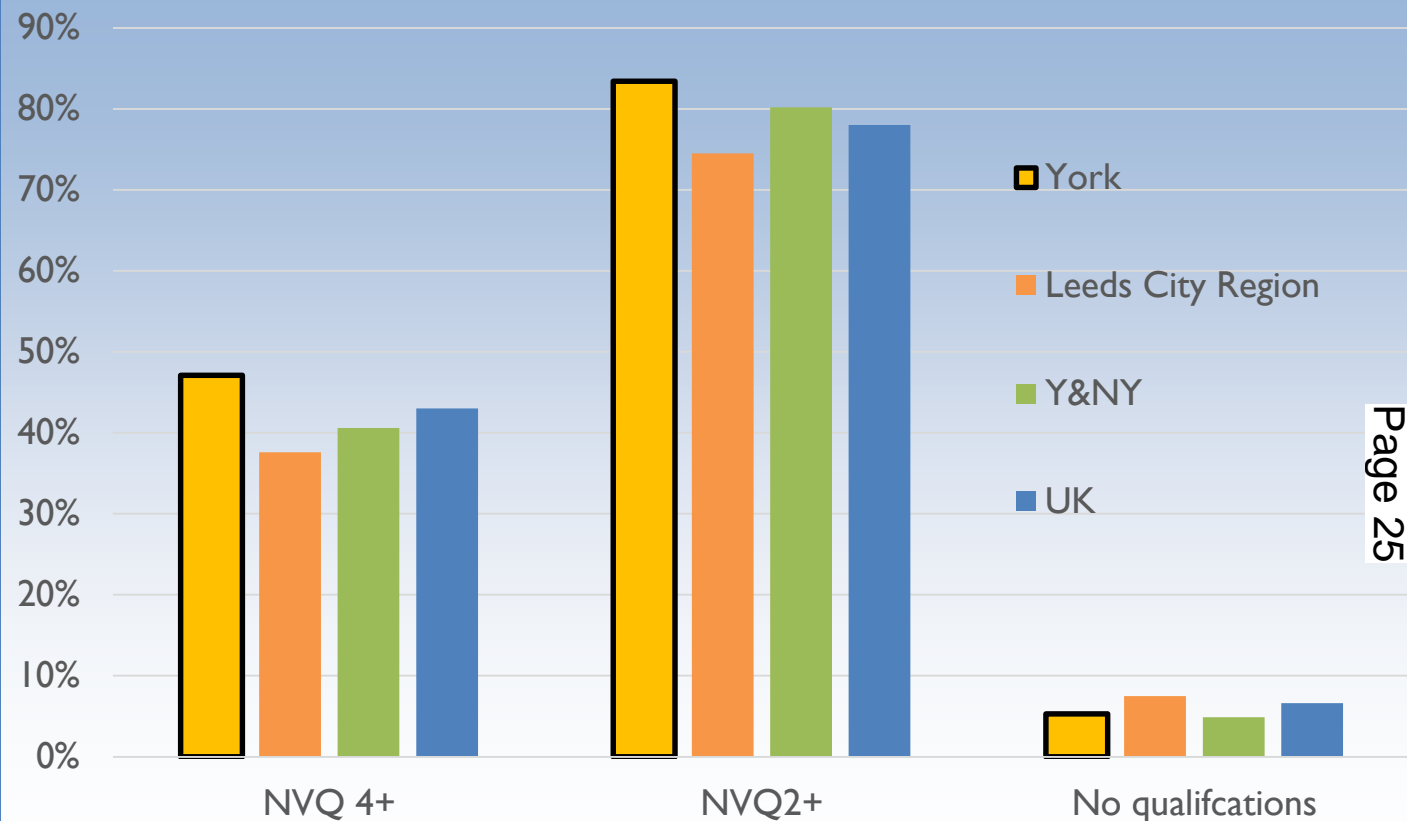
ONS: Annual Survey of Hours and Earnings – 2021 Figures – Total Weekly Pay (Gross) – York Residents
 To be updated: November 2022

Gross Disposable Household Income Per Head of Population



ONS: Regional Gross Disposable Household Income – Per Head of Population (current prices)
To be updated: Summer 2022

York is a highly skilled city

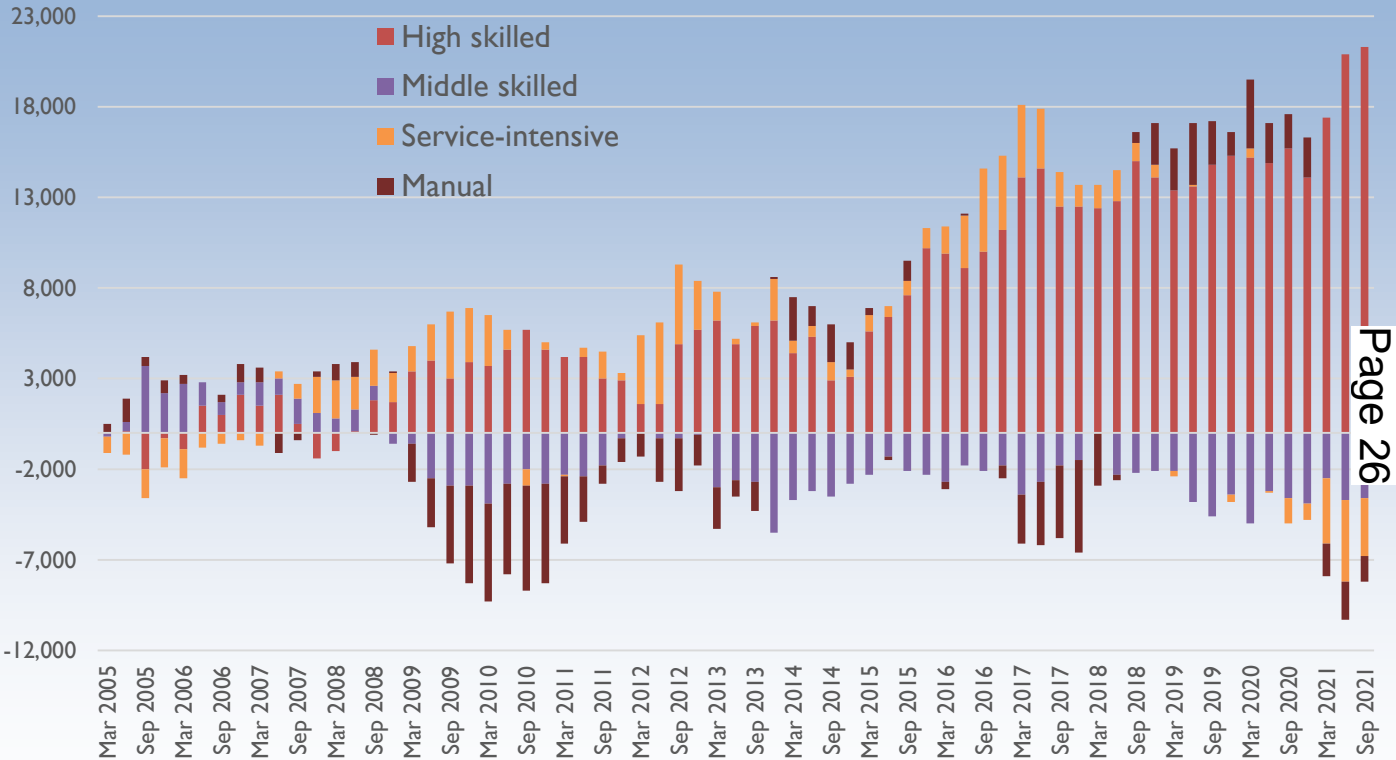


ONS: Annual Population Survey – Jan 2020 – Dec 2020 – % of working age population (16-64)

To be updated: TBA

Job growth by skill level: York 2005 - 2021

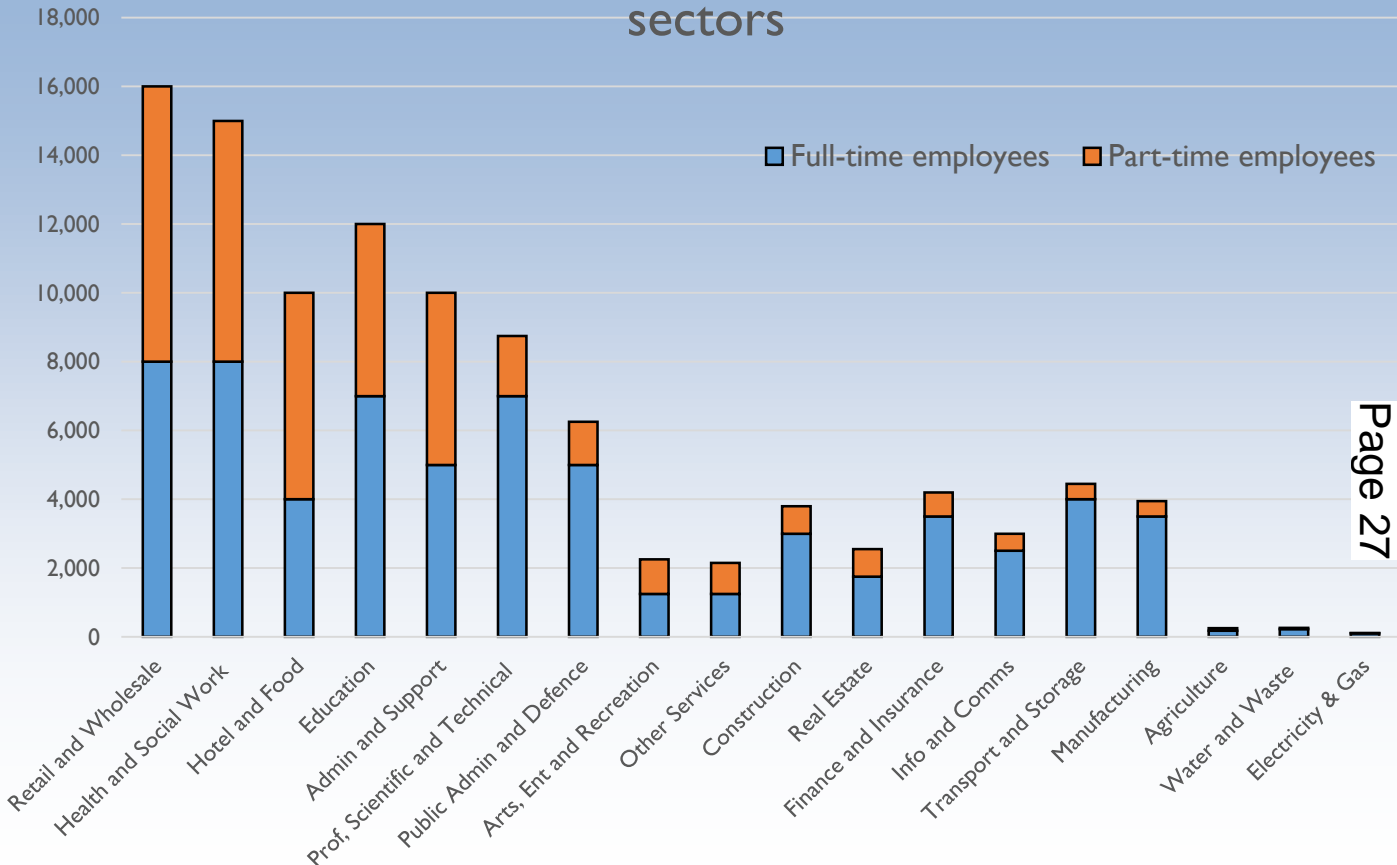
ANNEX A



Page 26

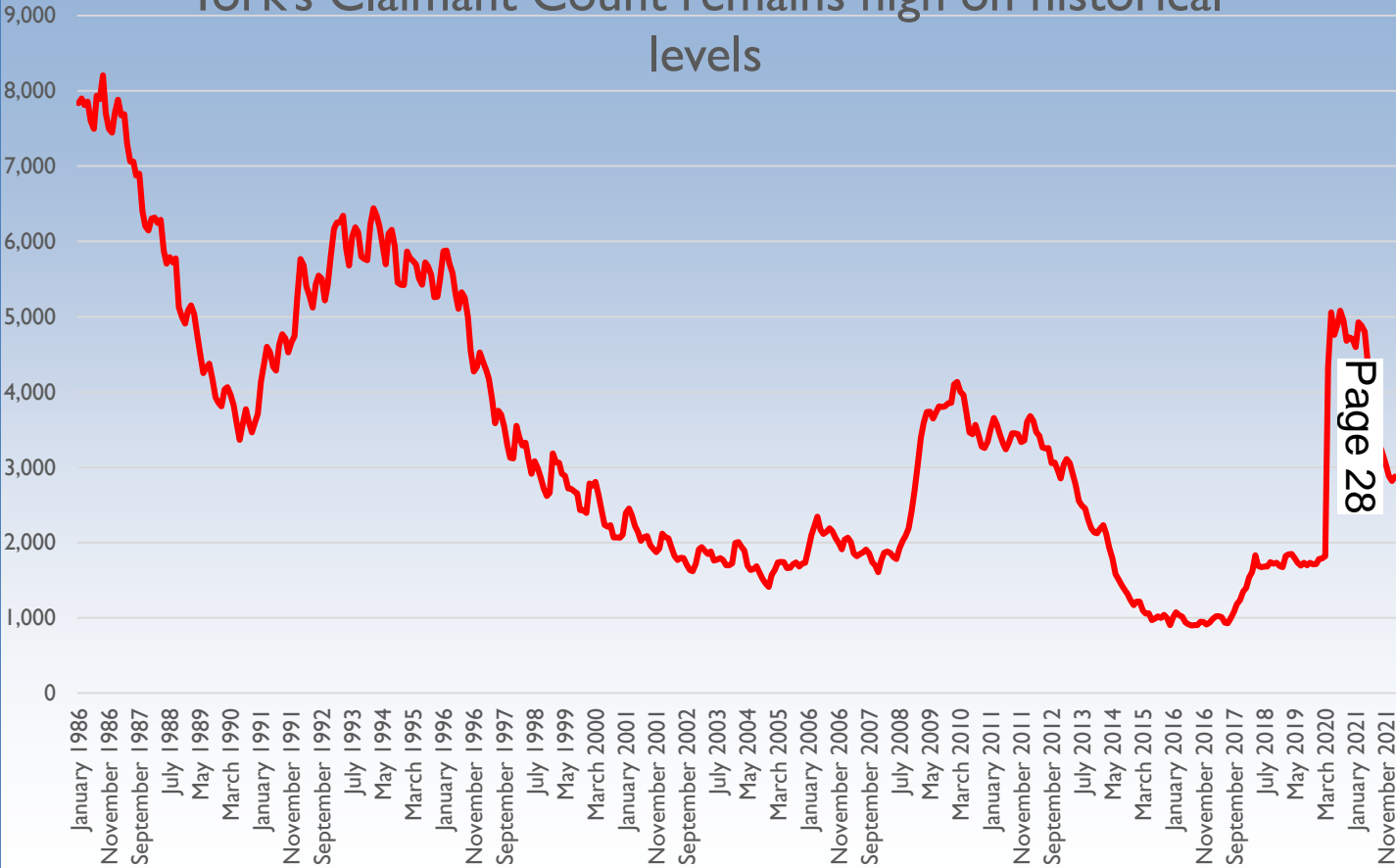
ONS: Annual Population Survey employment by SOC Code (2010)
To be updated: TBA

Part-time work is concentrated in lower paid sectors



ONS: Business Register and Employment Survey – Open Access – 2020 – Full Time & Part Time Employee Count in York
To be updated: Nov 2022

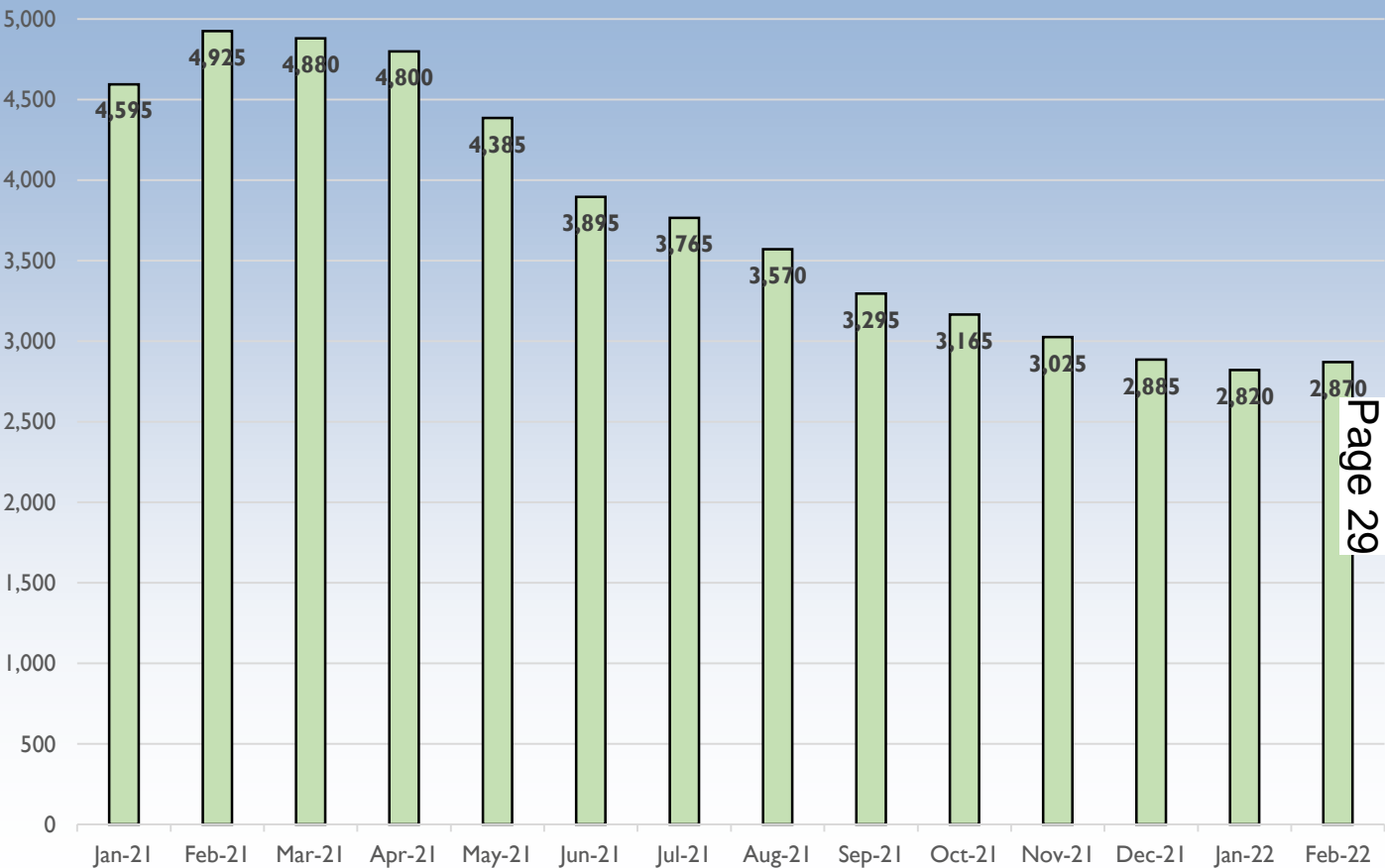
York's Claimant Count remains high on historical levels



Page 28

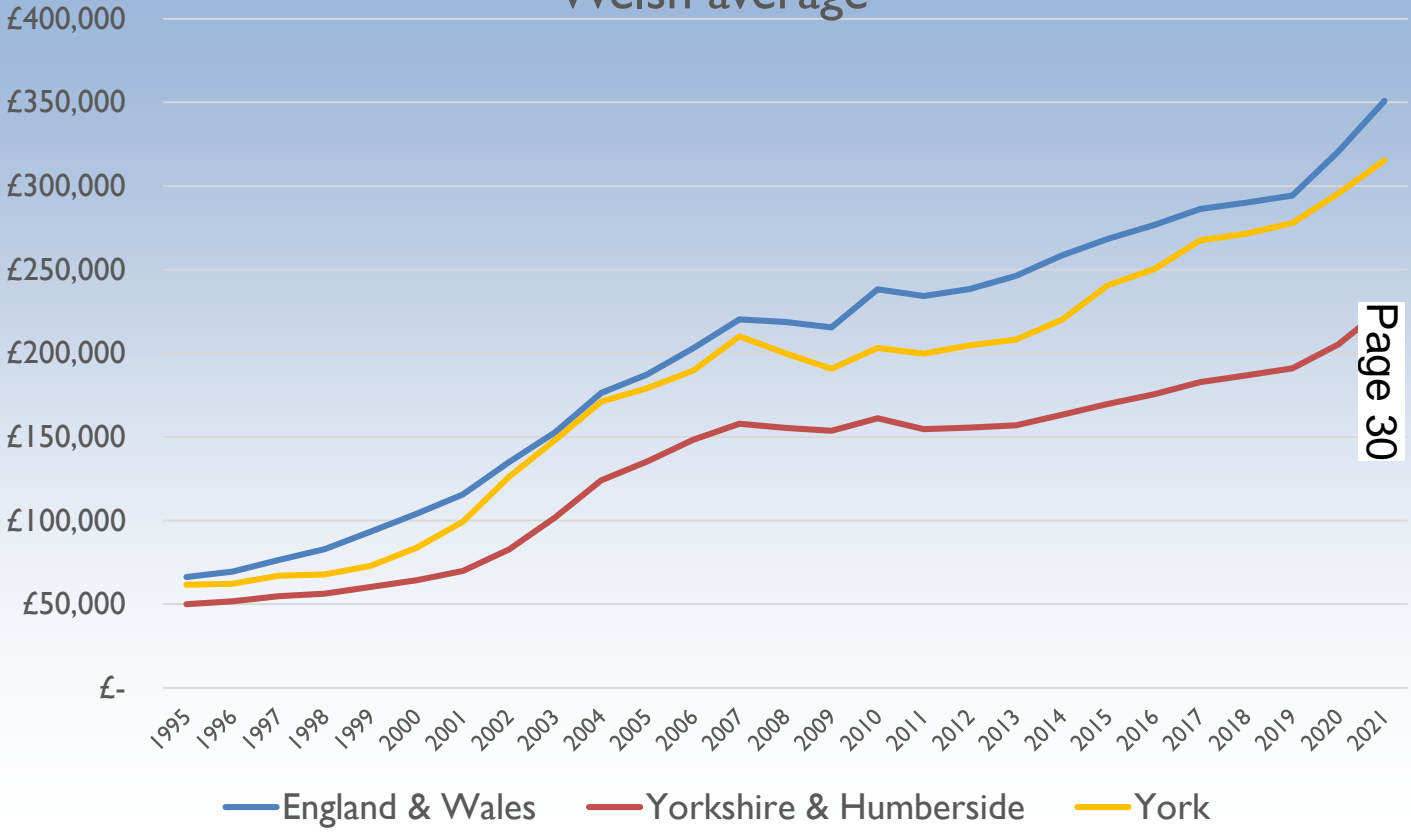
ONS: Claimant Count – Total – York
To be updated: 12/04/22

But, has consecutively fallen for 11 months!



ONS: Claimant Count – Total – York
To be updated: 12/04/22

York house prices remain close to the English & Welsh average

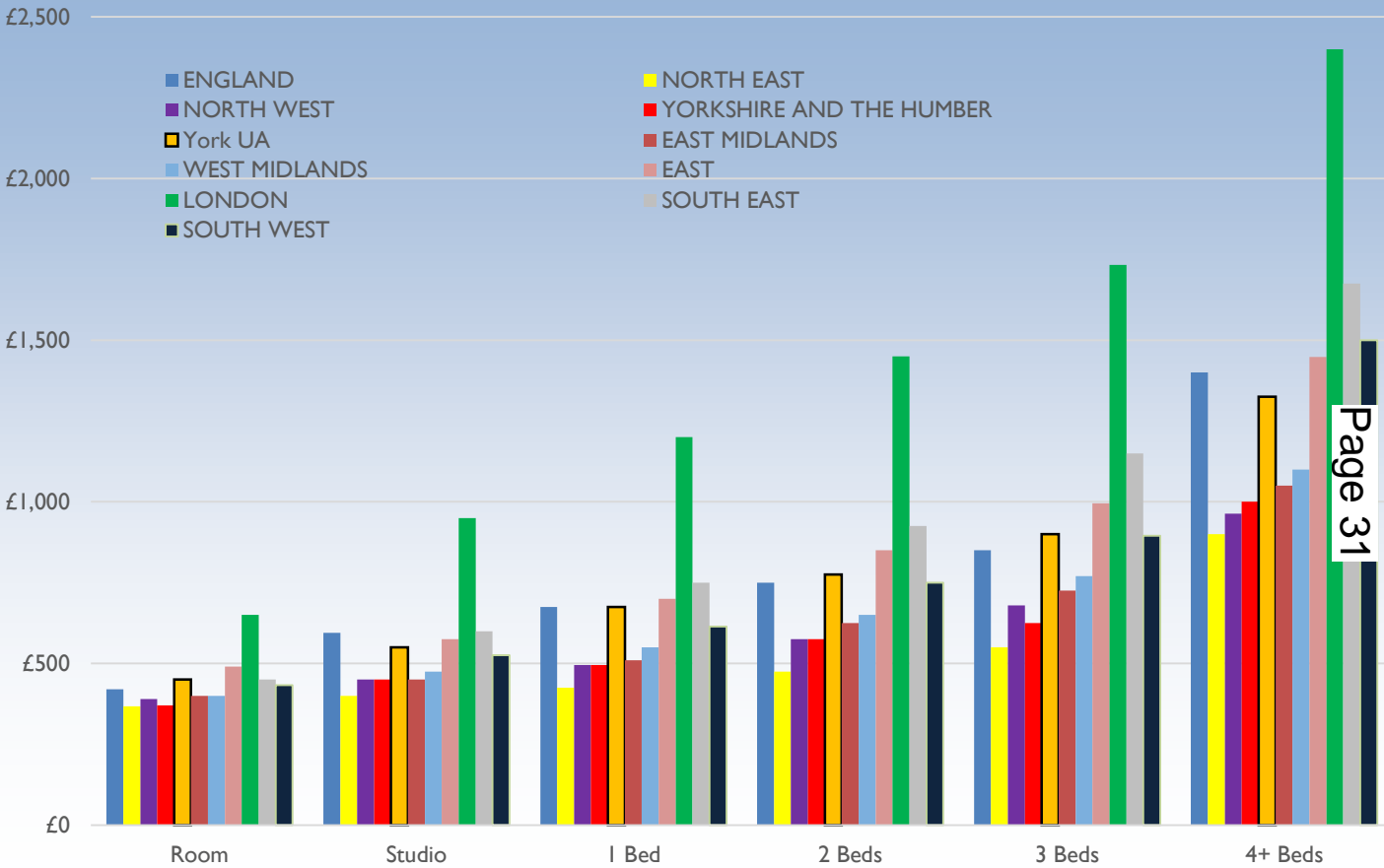


Page 30

— England & Wales — Yorkshire & Humberside — York

ONS: Mean house prices for administrative geographies (existing dwellings): Figures are for the year ending Dec, except for 2021 which is for the year ending Sept 21
 To be updated: 22/06/22

York's rental costs are like the south of England



Page 31

ONS - Private rental market summary statistics in England – October 2020 to September 2021
 To be updated: June 2022

This page is intentionally left blank



**Decision Session – Executive Member for
Economy and Strategic Planning****26 April 2022**

Report of the Assistant Director, Education and Skills

Apprenticeships Update**Summary**

1. Apprenticeships, alongside a number of other training and development schemes, continue to play an important role in supporting the city's economic recovery, providing opportunities for those entering the workforce or those who need to reskill or upskill.
2. The citywide efforts to maintain the profile of apprenticeships throughout the pandemic and targeted activities by the Council's Skills and HR teams have helped to sustain the take up of apprenticeships in York. National data* for 2020/21 shows that, despite the challenges associated with a full year of varying Covid-19 restrictions (affecting residents, businesses and education providers), there was a 3% increase in the number of new apprenticeships started by York residents, compared with 2019/2020.
3. The published data for the first two quarters of 2021/22 is also encouraging, with 730 new apprenticeships having been started by York residents in the six months to 31 January 2022. This equates to 72% of York's starts in the previous full year and brings the total number of apprenticeships being undertaken to 2,080 (Q2 2021/22).
4. The council's own apprenticeship and levy transfer strategies continue to support local recovery. As of 31 March, there are 79 active apprentices within the council and Local Authority Maintained schools, compared with 53 at 30 September 2021. Since the council's levy transfer scheme was launched in May 2021, funding has also been approved for the training of 27 apprentices (nine in the past six months), committing £160,000 of support to nine local businesses over a maximum of 51 months.
5. By increasing the number of its own apprentices and supporting businesses in priority sectors such as adult health and social care, the council spent around 50% more (levy funds) on apprenticeship training during October 2021 – March 2022 than during the previous 6 months.

*Annual national apprenticeship data refers to the academic period from August to July. The latest annual and quarterly updates are available on the Government website: [Apprenticeships and traineeships, Academic Year 2021/22 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/government/collections/apprenticeships-and-traineeships)

6. Whilst the amount of levy in the account and how much expires can fluctuate for a number of reasons, the overall direction continues to be a decrease in expired funds each month, aligned with an increased take up of apprenticeships within the council, Local Authority Maintained schools and local SMEs
7. The Skills Team has also sustained the profile of the council's impartial Apprenticeship Hub service. Support includes free advertising for recruiting employers via a weekly e-newsletter (over 500 young people, parents and advisers on the mailing list) and guiding individuals towards circa 180 apprenticeship vacancies, within a 15-mile radius of York, each week.
8. The team also develops communications, resources and events. For National Apprenticeship Week 2022, the York Hub delivered a successful social media campaign reaching around 12,900 people, and the team partnered with the York and North Yorkshire Hub to develop the regional 'Build the Future' Apprenticeship Fair at York Racecourse (section 26).
9. The Skills Team continues to work with secondary schools, colleges and other partners to promote apprenticeship opportunities and connect those who may decide to leave full time education with appropriate vacancies, including opportunities within the council. Targeted activity has included Apprenticeship Taster Days for Year 11 students and a citywide Apprenticeship Recruitment Event at York High School to support those planning their next step (from summer 2022).
10. Of York's new apprenticeship starts since August 2021, 210 have been by young people aged 16-18. This is particularly positive as it equates to 95% of the previous full-year figure (2020/21) for this age group and suggests that targeted school activity (sections 17 and 27-30) during the previous and current academic years is supporting recovery.

Information on job vacancies (including apprenticeship vacancies) at the council can be found on the council's website: <https://jobs.york.gov.uk/>

The York Apprenticeship Hub can also help individuals or businesses wanting to find out more about apprenticeships in York
email: york.apprenticeships@york.gov.uk or write to: Apprenticeship Hub, West Offices, Station Rise, York, YO1 6GA

Recommendation

11. The Executive Member is asked to:

- Note the content of this report.

Reason: To continue to encourage the creation of apprenticeship opportunities in York, by supporting local businesses to access available funding and to support routes to employment for residents.

- Agree the updated framework through which local employers can apply to receive a transfer of the council's unallocated levy funds to support new apprenticeship starts within their organisation.

Reason: To support inclusive growth by aligning the framework with the priorities set out in York's 10-Year Skills Strategy.

Background

12. Following his approval of the City of York Council's Apprenticeship Levy Transfer Strategy in November 2020, the Executive Member for Economy and Strategic Planning receives apprenticeship updates on a six-monthly basis. This particular report updates the Executive Member on apprenticeship activity in York from 1 October 2021 to 31 March 2022 (inclusive), covering:

- the work of the council's Apprenticeship Hub and Skills Team
- use of apprenticeships to support skills development within City of York Council's existing workforce and to encourage the recruitment of new apprentices into the organisation
- the support provided to local businesses through the council's Apprenticeship Levy Transfer Scheme

It also proposes an updated framework through which local employers can apply to receive a transfer of the council's unallocated levy funds to support new apprenticeship starts within their organisation.

Apprenticeships in York

13. Despite the enhanced employer incentives (for hiring a new apprentice) ending on 31 January 2022, the recovery seen in the apprenticeship market during the second half of 2021 has been sustained into early 2022. From the low of 20 per week at the start of the pandemic (March 2020), there are now around 180-200 apprenticeship vacancies (across 160-180 adverts) listed within a 15 mile radius of York each week.

14. The majority of advertised apprenticeship vacancies have been at Advanced Level 3, offering opportunities in York's key and growth sectors including, biotechnology and life sciences, digital, early years, engineering, health (including dental), manufacturing and transport.
15. Encouragingly, in March 2022 around 40% of the apprenticeship vacancies on offer were at Intermediate Level 2 and in a range of key sectors in York - offering important entry-level roles into hospitality, health (including pharmacy), adult social care, construction, early years and manufacturing.
16. In accordance with the national picture, some of these sectors have continued to report an insufficient supply of applicants for current apprenticeship vacancies. The reasons for this vary between sectors and across apprenticeship levels but feedback from individuals, employers and training providers (local and national) suggests:
 - A continued perception that career pathways within key sectors impacted by lockdowns (linked to the pandemic) are less secure;
 - The buoyancy of the local job market may make a job without training but higher salary more attractive than an apprenticeship;
 - Fewer young people in York took the apprenticeship route in 2019/20 and 2020/21 (220 per year compared with 320 in 2018/19), choosing to remain in Further or Higher Education.
17. In relation to the latter, the Skills Team actively works with schools, colleges, training providers and other partners to raise awareness of apprenticeships with young people, particularly those in Years 11 and 13 looking to start an apprenticeship upon leaving Secondary or Further Education. Simultaneously, the council's Apprenticeship Hub supports York employers to promote upcoming vacancies to these cohorts (sections 23-30).
18. Targeted activity throughout 2021 has helped to encourage the take up of apprenticeships by young people; with 210 York residents aged 16-18 having started an apprenticeship in just the first six months of 2021/22.
19. Encouragingly, in the first two quarters of 2021/22 there appears to have been a good spread of apprenticeship starts across the three levels - Intermediate (210), Advanced (310) and Higher (210). It's important to note that the percentage of apprenticeship starts will not necessarily correlate with the percentage of vacancies advertised at the same level (in the same or preceding quarter) due to a combination of factors including:
 - From the available data, it is not possible to track each apprenticeship from advertisement to start date;

- Not all new recruit apprenticeship vacancies are advertised on the national Find an apprenticeship website;
- Apprenticeship starts include apprenticeships being undertaken by new and existing employees – the latter are not advertised on the national Find an apprenticeship website.

20. However, the data does show that more than 60% of the Higher (levels 4-7) apprenticeships started in Q1 and Q2 2021/22 were by people aged 25 or older. This, alongside the low number of Higher (including Degree) apprenticeships advertised each week (circa 10) seems to suggest that the majority of higher-level apprenticeships in York continue to be undertaken by existing employees. This is important as the 22% increase in the take up of Higher apprenticeships in 2020/21 (compared with 2019/20) contributed significantly to the overall growth (3%) in apprenticeships starts in York for the same year.
21. It is therefore important that the council continues to support employers, through its impartial apprenticeship hub and levy transfer scheme, to both create entry-level opportunities in key sectors and prioritise higher-level, technical and green skills as part of workforce planning.

The Impartial York Apprenticeship Hub

22. Through the impartial Apprenticeship Hub, the Skills Team continues to support individuals, businesses and training providers in York to make the most of apprenticeships.
23. The Skills Team provides free advertising for recruiting employers and support for individuals via the hub's weekly e-newsletter (over 500 young people, parents and advisers on the mailing list) and regular Facebook posts (2,330 followers with potential post reach of up to 3,000).
24. Targeted activity around National Apprenticeship Week (7 – 13 February 2022) included a social media campaign comprising 30 posts on Facebook and five on Instagram. Developed around the national '*Build the Future*' daily themes, this activity reached around 7,600 people and generated more than 250 engagements.
25. Case studies of local apprentices, including 11 from within the council, and vacancy adverts proved most popular, reaching more than 5,200 people and leading to almost half of the total engagements.
26. The team also worked in partnership with the regional apprenticeship hub to develop and promote the '*Build the Future*' Apprenticeship Fair at York Racecourse (10 February 2022). The event raised awareness of

apprenticeships and helped to connect more than 300 attendees, of all ages, with 41 exhibitors (51% of which were businesses based in York or North Yorkshire). Both the impartial York Apprenticeship Hub and City of York Council HR Team attended as exhibitors.

27. The team also raises awareness of apprenticeships with young people and schools through the impartial York Apprenticeship Offer. Working in partnership with NYBEP, who manages the national Apprenticeship Knowledge for Schools and Colleges (ASK) contract locally, four in-person events having taken place (since restrictions were removed) this academic year, reaching around 300 students across Years 9, 10 and 11. Requests for in-person activities are increasing and several more inputs have been booked to take place in coming months.
28. The Specialist Learning and Employment Adviser Team, which supports young people with specific identified needs, also provides tailored advice and guidance to those looking towards an apprenticeship pathway.
29. Each January, Year 11 students have the opportunity to attend taster sessions with post-16 providers and/or apprenticeship employers, to help them make an informed choice about their next steps in education or training. This year, the Skills Team worked directly with thirteen local employers to give interested students the opportunity to experience life as an apprentice in their chosen sector.
30. 30 students secured places across nine micro, SME and large organisations in a range of sectors including, early years and childcare, hairdressing, hospitality, estate agency and construction. The latter, which for some students included a tour of the Guildhall refurbishment project, attracted more than half of all attendees. As a direct result of the taster day, one participant has been offered a joinery apprenticeship (to commence once they have completed Year 11) with a local microbusiness, two others have secured work experience at a large construction company and another has interviewed for an early years apprenticeship role.
31. Since 1 October 2021, the Skills and HR teams (Business Engagement Officer was in post to 31 December 2021) have provided impartial advice and support to around 40 businesses including those with an interest in the council's apprenticeship levy transfer scheme (section 55).
32. The team continues to be active within the National Apprenticeship Hub Network, which has expanded to include representatives from eight hubs across England. The group shares best practice and key items discussed at the January and March 2022 meetings included plans for National Apprenticeship Week and UCAS apprenticeship platform and resources.

33. Locally, the York Apprenticeship Provider Network continues to evolve, with more than 30 organisations now regularly represented. A key item at the last quarterly meeting (March 2022) was how the network could support the priorities set out in York's 10-Year Skills Strategy. Partners from Yorkshire Learning Providers and the regional Apprenticeship Hub have also been welcomed into the network and are helping to support local priorities and extend the service provided to York's residents and businesses. Examples include:
- Additional campaigns and events (such as the '*Build the Future*' Apprenticeship Fair) to support the take up of apprenticeships
 - The York hub can work with the regional hub to support York employers to access levy transfer from the wider region (if needed)
 - The York hub can signpost York residents to vacancies available through the regional hub (as appropriate)
 - Specifically commissioned regional resources and insights such as the Yorkshire Apprenticeship Provider Directory and Yorkshire Apprenticeship Gap Analysis.

Apprenticeships at the Council

34. Whilst the financial impact of the pandemic on the Local Authority's budget has reduced its ability to create new roles, apprenticeships remain an integral part of the organisation's strategy to support succession planning and upskilling of the existing workforce.
35. At 31 March 2022, there were 79 apprenticeships active across the council and local authority maintained schools (49% more than September 2021). 35 of these apprenticeships commenced within the last six months, compared to 17 within the six months prior (April – September 2021).
36. Since January 2022, eight apprentices have or are in the process of joining the council in roles such as Civil Engineer, Business Administrator, HR Support, Business Intelligence and Early Years Educator. As reported in other sectors, the council has also experienced a reduction in the number of applicants for apprenticeship vacancies, with key roles in Bereavement Services and Vehicle Maintenance being re-advertised.
37. At the same time, apprenticeships are being used to support skills development within the existing workforce and help fill skills gaps. Within the council, these include higher and technical apprenticeships in Social Work, Senior Leader Degree, Chartered Manager, Solicitors, Welder, Electrician, Leader in Adult Care, Chartered Town Planner and Civil Engineering. In March 2022, an existing apprentice was recruited into the council and is being supported to continue their Level 4 apprenticeship in Construction Management using the council's levy funds.

38. Within Local Authority Maintained Schools, higher apprenticeships in Senior Leadership, Accounting, Coaching, Learning and Skills Teaching and School Business Professional are helping to develop existing employees. Expressions of Interests have also been submitted for new recruits in Teaching Assistant and Early Years Educator standards.
39. Since October 2021, 22 Expressions of Interest (EOIs) have been approved by the council's Apprenticeship Task Group (12) and School Apprenticeship Panel (10) for apprenticeship starts within the council and Local Authority Maintained Schools.

40. **Snapshot: 1 October 2021 – 31 March 2022**

Metric	City of York Council	Local Authority Maintained Schools	Total
# Expressions of Interest Received	12	7	19
# Expressions of Interest Approved	12	10	22
# New apprenticeship starts (existing staff and new apprentice recruits)	30	5	35
# New apprentices recruited or transferring into organisation (included in above figure)	7	2	9
# New apprenticeship starts pending (existing staff and new apprentice recruits)	8	6	14
Examples of apprenticeships and level (L) approved/being undertaken			
City of York Council	General Welder L2; Plasterer L2; Plumber L3; Electrician L3; Leader in Adult Care L5; Children, Young People and Families Practitioner L4 Data Analyst L4; Associate Project Manager L4; Team Leader Supervisor L3; Business Administrator L3 Senior Leader L7, Civil Engineer L6, Solicitor L7; Chartered Manager Degree L6		
Local Authority Maintained Schools	Admin L3, Teaching Assistant L3, Early Years Educator L3, Assessor Coach L4, School Business Professional L4, Learning & Skills Teacher L5, Departmental Manager L5, Chartered Manager Degree Apprenticeship L6.		

41. In any given period, there will likely be a difference in the number of EOIs received, EOIs approved, apprenticeship starts and apprenticeship starts pending. Reasons for the variance in the numbers above include:
- EOIs submitted towards the end of one reporting period (e.g. in late September 2021) have been approved within the next reporting period;
 - Existing employees completing functional skills qualifications ahead of their apprenticeship starting – EOIs approved but apprenticeship not yet started;
 - Apprenticeship is part of a cohort that hasn't yet started – those with known future start dates are reflected in 'new apprenticeship starts pending' figures;
 - Managers are being supported to progress procurement of the training provider and/or recruit candidates for approved EOIs – some EOIs have only recently been approved and some new roles have had low levels of applications and have therefore been advertised more than once.
42. Support for the existing 79 council and school apprentices continues and workforce development planning is underway to identify where apprenticeship training can further support organisational plans. However, like other levy-paying organisations and national employer representatives, the council would welcome flexibilities in how levy funds can be utilised. The Executive Member for Economy and Strategic Planning has previously called on the government to make the apprenticeship levy more flexible to support the local upskilling, reskilling and job-creation needed to support an inclusive economy.

Apprenticeship Levy

43. The Apprenticeship Levy is the apprenticeship funding system that took effect from April 2017. Businesses with an annual wage bill of more than £3m are required to set aside 0.5% of their monthly payroll for apprenticeship training – this is known as the Apprenticeship Levy.
44. Funds are credited to the business' online digital 'levy account' called the Apprenticeship Service Account (ASA) on a monthly basis. These credits are topped up with an additional 10% from the Government.
45. Levy funds are accrued on a monthly basis, with any unallocated monies being returned to Central Government ("clawed back") on a rolling 24 month cycle e.g. if not all funds set aside in April 2017 had been allocated by April 2019 the unused amount was 'clawed back'.

46. Funds in the digital account can only be used to pay for training and assessment for apprenticeship standards, and for new apprenticeship starts (new or existing employees). They cannot be used for wages or other associated costs.
47. As of 31 March 2022, the City of York Council Apprenticeship Service Account stood at £979,642 (compared with £988,833 at 1 October 2021). When considering this figure, it is important to understand that the account balance fluctuates on a regular basis and is affected by:
- the date that credits enter the account each month
 - the date that unallocated credits expire each month
 - new apprenticeship starts being added to the system. For instance, funding for some of the 22 approved internal expressions of interest (section 39) and external levy transfer expressions of interest won't have been deducted from the digital apprenticeship account
 - when the completion payment ($\leq 20\%$) is claimed by the provider.
48. Also, funds for ongoing apprenticeships are only deducted on a monthly basis and the earliest credits are used first. This means that the account balance still includes those future contributions that the council has committed to make, whether on behalf of its own employees or through the process of levy transfer.

49. In summary:

City of York Council Apprenticeship Service Account Balance	Payments in	less	Payments out	Not shown in balance
at any given date equals	Monthly credits from CYC levy		Payments for training and assessments made up until today	Future contributions the council has committed to make for active apprenticeships including any that have paused (known as a Break in Learning).
	Government top up (10%)		Unallocated funds from levy credits that entered the account more than 24 months ago	

50. As the levy can only be used to pay for training and assessment for apprenticeship standards, and for new apprenticeship starts, the council remains unlikely to use all of the account balance on training its own apprentices. In order to ensure that more of its levy is used in the local area, the council continues to operate a Levy Transfer Scheme. This approach is in common with many other public sector levy payers and was endorsed by the Executive Member for Economy and Strategic Planning at his decision session in November 2020.

51. Since the introduction of the Apprenticeship Levy in 2017, the City of York Council has utilised £683,591 supporting apprenticeship training for new and existing employees and, since May 2021, by supporting levy transfers. In the six months since 1 October 2021, £163,953 of levy has been utilised - an increase of around 50% compared with the previous six-month period.
52. The council is working hard to reduce the amount of funds expiring each month. By continuing to value and use apprenticeships within the council and by supporting Small and Medium Enterprises in York via levy transfer, the amount of expired levy funds for the period, October 2021 to March 2022, has reduced to an average of £14,859 per month (compared with £24,107 per month, April 2021 to September 2021).
53. In the 16 months from 1 August 2019 to 30 November 2020, £473,605 expired from the levy account (circa 60% of the total to date). In the 16 months following the endorsement of the levy transfer strategy (November 2020) and introduction of dedicated HR Apprenticeship Team, £328,796 has expired. It is important to note that the oldest funds will continue to be utilised first, so apprenticeships funded in March 2022 may be utilising credits from as far back as March/April 2020.
54. Whilst the amount of levy in the account and how much expires can fluctuate for a number of reasons, the overall direction continues to be a decrease in monthly expired funds, aligned with increased take up of apprenticeships within the council, Local Authority Maintained schools and local SMEs.

Apprenticeship Levy Transfer Criteria

55. The council's Apprenticeship Levy Transfer Scheme was launched late May 2021 and to financial year end (March 2022), circa £160,000 has been committed to support nine businesses and 27 apprenticeships over a maximum of 51 months. Funded apprenticeship standards include, Data Analysis, Adult Care, Lead Practitioner Care, Children, Young People and Families Practitioner, Chartered Manager and Early Years Educator.
56. The council remains committed to transferring any of its unallocated annual apprenticeship levy funds, up to a maximum of 20% of the annual amount accrued, to local employers to support inclusive growth in the city. At its monthly meetings, the Apprenticeship Task Group considers the status of the council's levy funds alongside any outstanding EOIs and ESFA updates, before agreeing the approach to solicit more applications.

57. Reflecting on the requests from businesses since the service was launched in May 2021, employers value the flexibility of being able to apply for a transfer of levy funds at the right time in their business planning cycle. Therefore, the approach has evolved from initially accepting applications during a specified period of time (window) to only closing the application window once the funding limit has been reached for that financial year.
58. However, the council continues to target its marketing activity to encourage the take up of apprenticeship levy transfers at certain times. For instance, spring is a key period for promoting the council's levy transfer service – not just because it's the start of the new financial year but employers looking to hire new apprentices or enrol existing employees on apprenticeship training for September should start to put plans in place.
59. The Apprenticeship Task Group therefore feels it is time to review the framework through which employers can apply for a transfer of the council's unallocated levy funds. The proposed updated criteria is included at Annex 1. This simplified framework has been aligned with the priorities set out in York's 10-Year Skills Strategy and is designed to support recruitment into key sectors and encourage employers to prioritise higher, technical and green skills as part of their workforce planning.

Council Plan

60. The Council Plan identifies eight priorities, three of which are relevant:
- Well-paid and an inclusive economy;
 - A better start for children and young people;
 - An open and effective council.

Implications

61. The following implications have been considered:
- **Financial** – the report includes financial implications throughout including the continued use of the council's apprenticeship levy funds, which are held by central government.
 - **Human Resources (HR)** – no implications;
 - **One Planet Council / Equalities** – EIA completed
 - **Legal** – no implications;
 - **Crime and Disorder** – no implications;
 - **Information Technology (IT)** – no implications;
 - **Property** – no implications.

Risk Management

62. None specifically associated with the recommendation within this paper. However, the continued take up of apprenticeships within the council and effective delivery against the levy-transfer strategy are fundamental in utilising the council's apprenticeship levy funds locally.

Contact Details

Author:

Alison Edeson
Skills Team Manager
Education and Skills
Tel: 07768124792

Co-Authors
Jackie Jackson
HR Adviser Apprenticeships
Tel: 01904 551215

Chief Officer Responsible for the report:

Maxine Squire
Assistant Director Education and Skills

Report **Date** 13 April 2022
Approved

Wards Affected: [List wards or tick box to indicate all]

All

For further information please contact the author of the report

Background Papers:

None

Annexes

ANNEX 1 - City of York Council Apprenticeship Levy Transfer Criteria – Revised

List of Abbreviations Used in this Report

ASA – Apprenticeship Service Account

BIL – Break in Learning

EOI – Expression of Interest

ESFA – Education and Skills Funding Agency

NYBEP – North Yorkshire Business and Education Partnership

SME – Small or Medium sized Enterprise

This page is intentionally left blank

ANNEX 1 - City of York Council - Apprenticeship Levy Transfer Criteria

Apprenticeship Levy Transfer

The government made it possible for employers who pay the Apprenticeship Levy to transfer a percentage of their unallocated levy funds to other employers and organisations annually - within the supply chain, across industry and with city and regional partners. The funds can be used to pay for apprenticeship training and assessment costs for both new apprentice recruits and existing employees who could benefit from developing their skills - for instance, due to changes in job roles.

Criteria to receive City of York Council Levy Transfer funds

You must be an organisation based in York with fewer than 250 employees and a turnover of less than £25m. You may also be:

- A voluntary, community or social enterprise sector organisation providing services to York's residents
- A public sector or health care organisation
- A York school that doesn't pay into an Apprenticeship Levy
- Employers that have opportunities for 16-18 year olds, learners with disabilities or care experienced young people, but are unable to access funding via training providers.

As funds are limited, we will need to prioritise requests for support. Therefore, in developing a process for determining who to support, *priority* will be given to applications that further the commitments set out in York's 10-Year Skills Strategy and **look to hire a new apprentice into the sectors detailed below or develop higher-level technical, STEM or green skills.**

York's priority sectors

- Adult Health and Social Care
- Agritech, Bioeconomy and Life Sciences
- Creative and Communications
- Education and Childcare
- Engineering (includes food manufacture, transport and rail)
- Heritage
- IT and Digital
- Property and Construction
- Tourism, Hospitality and Retail

More support and how to apply

Free, impartial support and the expression of interest form are available from the York Apprenticeship Hub york.apprenticeships@york.gov.uk

You can submit an expression of interest at any time but once the available funding limit is reached, the application window will close until the following financial year. Whilst you may seek funding for more than one apprenticeship role and/or may submit multiple expressions of interest, any requests for more than 5 roles or £30,000 (whichever is greater) within one financial year may require further justification.

ANNEX 1

Applicants are encouraged to prioritise higher-level skills as part of their workforce planning as this will help to encourage recruitment and retention. For each apprenticeship (for which funding is being requested), applicants should be able to answer 'yes' to at least two of the following:

	Yes	No
New hire		
Priority sector		
Higher level, technical, STEM or green skills		

Appropriate opportunities for SME apprentices to join a council cohort will also be considered.

Applicants may be asked to review/revise an application to enable the council to maximise benefit to the local area.