Apprenticeships

City of York Council

Internal Audit Report 2013/14

Business Unit: Human Resources
Responsible Officer: Assistant Director, Customers and Employees
Service Manager: Head of Strategic HR and Organisational Development
Date Issued: 25 June 2014
Status: Final
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	P3	P2	P1
Findings	3	3	0
Overall Audit Opinion	Moderate Assurance		

Introduction

The recruitment and development of apprentices is a key action identified by the Workforce Strategy to increase the number of young people in York gaining basic skills and securing onward employment.

In 2012-13 there were 35 apprenticeships offered across 20 departments of the council. This follows from the '100 in 100' apprenticeship challenge undertaken to boost the number of apprenticeships offered in York.

A new apprenticeships policy was agreed in September which gives details of the types of apprenticeships offered, recruitment and selection, training and induction, and exit processes.

Objectives and Scope of the Audit

The purpose of the audit was to provide assurance to management that procedures and controls within the system will ensure that:

- all council apprenticeships comply with regulatory requirements and council policy
- value is added to the council
- apprentices benefit from the programme
- schemes offered are consistent and of sufficient quality
- funding for the provision of apprenticeships is allocated appropriately and correctly accounted for.

The audit did not cover the apprenticeship brokerage service.

Key Findings

The apprenticeship programme has successfully increased the number of apprentices working within the council since its implementation, and has helped to equip young people with essential skills and experience.

Positive feedback was received during the audit from both apprentices and managers, and the scheme appears to successfully add value both to the apprentices and to the council departments in which they are placed.

The issues raised in the report relate to a lack of overall control and oversight, specifically the distribution of policy and guidance, the production of management information and weaknesses in the exit process for apprentices. The management of apprenticeships is going through a transitional period and it is recognised that it will take time to imbed changes and devolve responsibilities to individual managers across the council as intended by the apprenticeships policy. Improvements in the areas highlighted are important to ensure that the council has a coordinated approach across all its departments and to ensure that a consistent, high quality scheme is in place to benefit apprentices and the council.

Overall Conclusions

It was found that the arrangements for managing risk were satisfactory with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made. Our overall opinion of the controls within the system at the time of the audit was that they provided moderate assurance.

Area Reviewed: Communication of apprenticeships policy

Severity
Probability

1	Issue/ Control Weakness	Risk
	The apprenticeships policy is not available for general access on the intranet, and has not been communicated directly to managers	Delivery of apprenticeships by departmental managers may be inconsistent or out of line with agreed standards

Findings

The apprenticeships policy was approved in September 2013, however the transition of the intranet to a new back-end system means that the policy is not currently held on the intranet and available for general access from a central point. A managers' briefing note was circulated to those managers taking up an apprenticeship, however it does not include all of the expectations set out in detail in the apprenticeships policy. In order to ensure consistency and that policy requirements are adhered to, it is important that all managers have access to the apprenticeships policy and are aware of its contents.

1.1   Agreed Action

A copy of the apprenticeships policy will be circulated to all managers who currently have, or are due to get, an apprentice in their department.

Priority	2
Responsible Officer	Talent and Resourcing Advisor
Timescale	May 2014

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Area Reviewed: Guidance and support for managers

Severity
Probability

2	Issue/ Control Weakness	Risk
A number of areas were identified in which managers would benefit from additional support		Lack of guidance and support may adversely affect the experience of the apprenticeships programme for both managers and apprentices

Findings
Discussions with managers suggested that there are several areas in which managers might benefit from further advice and guidance, specifically in relation to the approach to the apprentice interview and selection process, managing the exit process, and support for managing apprentices who are under 18.

A support network for apprentice managers would enable them to seek advice and guidance from others with experience of managing an apprentice, while helping to reduce the level of resource required by HR to answer queries that are not necessarily related to policy. |

2.1	Agreed Action

Managers will be provided with a contact list of other apprentice managers, and training will be made available for managers of apprentices under the age of 18.

Priority	3
Responsible Officer	Talent and Resourcing Advisor
Timescale	September 2014

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Area Reviewed: Guidance and support for apprentices

Severity
Probability

3	Issue/ Control Weakness	Risk
A number of areas were identified where apprentices would benefit from additional support		Apprentices will not receive adequate support leading to poor performance, dissatisfaction or potential non-completion

Findings

The majority of apprentices interviewed confirmed that they had good support from their colleagues and managers in their day to day work, however XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX.

This case highlights a need for information to be disseminated directly to apprentices to advise them of the channels of communication they can follow should they need advice or support in such an instance. Corporate guidance for grievances or issues XXXXXXXX may be available on the intranet, but apprentices may feel this does not apply to them since they are not permanent staff. Support networks for apprentices are particularly important; discussions with managers reveal that some apprentices can feel isolated in an office environment where there are no colleagues of a similar age or level of inexperience, and that they can have difficulty communicating with managers or approaching them with issues. In the event they are able to do this but managers are perceived to be unresponsive, apprentices need adequate information and resources to be able to raise issues through another avenue. The mentoring programme in place offers an opportunity to do this, however there have been difficulties with identifying suitable mentors, with participants engaging with the process and feedback from apprentices on the quality of their experience of the mentoring programme was extremely variable.

All apprentices interviewed commented on the positive value of interaction with other apprentices at group events or as part of classroom-based training, and therefore a support network - or the means to set one up - could be of great benefit.

3.1   Agreed Action

An induction session will be arranged for new apprentices, and this will include avenues of support and any other key areas which may be of benefit.	Priority	3
	Responsible Officer	Talent and Resourcing Advisor
	Timescale	September 2014

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Area Reviewed: Preparation for the end of apprenticeships

Severity
Probability

4	Issue/ Control Weakness		Risk

Apprentices were not supported in preparing for the end of their apprenticeships

Poor management of the exit process could have a detrimental effect on the future employability of apprentices

Findings

Interviews with apprentices due to leave in September 2013 revealed that there was a consistently weak approach to ensuring they were prepared for the end of the apprenticeship. In the majority of cases there had been no discussions about what would happen at the end of the period, nor preparation for leaving or seeking other employment. Apprentices should be prepared with the skills and support they need to seek onward employment, and although this is a requirement of the apprenticeships policy there are no specific guidelines for managers as to what the process should involve. In order to facilitate this and increase the likelihood apprentices will be adequately prepared, guidance and signposting to appropriate resources may assist managers in the implementation of exit preparation.

4.1   Agreed Action

As detailed in the apprenticeships policy, signposting and resources relating to the exit process will be made available to managers to enable adequate preparation for apprentices due to complete their apprenticeship.

Priority	2
Responsible Officer	Talent and Resourcing Advisor
Timescale	July 2014

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Area Reviewed: Exit process

Severity
Probability

5	Issue/ Control Weakness		Risk
Useful information obtained by exit process is not gathered or collated			Feedback useful for management information purposes will not be gathered, and key issues may not be addressed

Findings

The corporate exit procedure is that all leavers complete an exit questionnaire and participate in exit interview unless they expressly refuse. However due to lack of documentation it was not possible to confirm whether exit interviews had been conducted or questionnaires completed for the apprentices tested. Completion of interviews and questionnaires is a key component of the exit process, and enables feedback to be captured for management information purposes, as well as ensuring there is a consistent approach across departments. It would be beneficial for all apprentices to complete a leaver questionnaire and participate in an exit interview as a matter of course, particularly since the programme is an area which continues to expand and develop over time, and due to the high turnover of apprentices.

The exit questionnaire in its current form does not capture any specific information relating to the apprenticeship programme. To maximise the usefulness of the apprentice exit process, an exit questionnaire specific to the apprenticeship process could be designed to incorporate questions seeking feedback on key aspects of the programme such as training provision, support and performance monitoring, and any specific difficulties experienced by the apprentice. The exit questionnaire also does not currently state to where the document should be forwarded upon completion. To ensure information can be collated and that a copy of the document is retained on the apprentice's file, it should be updated with the contact details of an officer or team responsible for review and retention.

5.1	Agreed Action		
The apprenticeships policy will be updated to include the requirement to complete an apprenticeship exit questionnaire and detailed guidance about what specific information managers should gather as part of this process.	**Priority**	3	
	Responsible Officer	Talent and Resourcing Advisor	
	Timescale	August 2014	

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Area Reviewed: Performance information

Severity
Probability

6	Issue/ Control Weakness	Risk
	No performance information is produced or reported on	Issues relating to provision of the apprenticeship programme will not be identified or addressed

Findings

Although data such as numbers of applications, numbers of apprenticeships taken up and completion of apprenticeships across departments is available, this and any other relevant information is not currently collated to enable monitoring of the overall performance of the apprenticeships programme. This could include demand for particular framework types, completion rates across departments/frameworks, or statistics relating to onward employment.

Such information would allow HR and the apprenticeships group to identify areas of potential improvement or development within the programme, and the monitoring of the overall performance of the scheme would lend credence to the council as an exemplar in the provision of apprenticeships.

6.1   Agreed Action

Relevant performance information will be agreed upon, and this will be produced and reviewed on an annual basis in time for the new year's intake.

Priority	2
Responsible Officer	Talent and Resourcing Advisor
Timescale	December 2014

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Audit Opinions and Priorities for Actions

Audit Opinions	
Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit. Our overall audit opinion is based on 5 grades of opinion, as set out below.	
Opinion	**Assessment of internal control**
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial Assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Moderate assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited Assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for Actions	
Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

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