

Report of the Director of Governance

Apprenticeship and Skills – Update Report

Summary

1. This report updates Members on the progress of the scrutiny review into Apprenticeships and Skills and asks the Committee to consider the remit proposed by the Task Group appointed to carry out this review on the Committee's behalf.

Background

2. At a meeting of this Committee in October 2019 Members received an update report on High Value Employment, Apprenticeships and Skills as part of ongoing discussions to develop the Committee's work programme. To help the Committee agree its priorities representatives from the City of York Council's Skills Team, York University, York College and York St John University took part in round table discussions to advise and inform Members.
3. As a result of these discussions the Committee agreed it wanted to take forward the apprenticeships and skills topic for possible review. The Committee considered a scoping report at its meeting in December 2019 and agreed a review was appropriate. The Committee appointed a Task Group comprising Cllrs Barnes, Douglas and Pearson to carry out this work.
4. In early January 2020 the Task Group met with representatives from York College, York St John University and Askham Bryan College, as well as City of York Council's Skills manager, to help inform the review remit.
5. At a meeting in February 2020 the Task Group agreed that the review should focus on measures to ensure York retains as much of the

Apprenticeship Levy Fund as possible for the benefit of people in the city.

6. The Apprenticeship Levy is paid by employers with annual pay bills in excess of £3 million and there are around 50 such companies headquartered in York.
7. The levy is used to fund apprenticeship training and assessment. Levy-paying employers can transfer up to 25% of their contribution to support apprenticeships in smaller businesses. If levy payments are not used within two years they are returned to central government.
8. The Committee's October meeting noted that some employers found it difficult to utilise their apprentice levy while small and medium sized enterprises (SMEs) found it difficult to access higher and degree level apprenticeships. However, this will be changing over the next 12 months so any size employer will be able to access any training provider and any apprenticeship training provision they wish.

Proposed Remit

9. **Aim:**

The Task Group will engage with apprenticeship providers and employers in the city with a view to bringing recommendations to the Committee. The aim of the Task Group will be to explore means by which CYC can work with partners in the city to maximise the proportion of the apprentice levy that is retained and spent on training to improve skills in York's economy.

This is likely to be achieved through partnership, including opportunities for levy payers to work with SMEs and identify opportunities for levy transfer where appropriate.

10. **Objectives**

- i. To evaluate the current number of levy payers in York based on best available knowledge so as to assess the value of funds available;
- ii. To understand the current apprenticeship training provision, the potential in York and the current spend;
- iii. To identify the demand from companies who might want to offer apprenticeships;

- iv. To examine best practices with regard to the transfer of the apprenticeship levy;
- v. To understand the use of the apprenticeship levy within City of York Council and how CYC can help facilitate best practice in the rest of the city with a view to meeting Council Plan priorities in terms of improving skills and sustainable development.

Consultation

- 11. The full Committee has already consulted with representatives from the City of York Council's Skills Team, York University, York College and York St John University. In addition the Task Group has had a further meeting with representatives from CYC's Skills Team, York College, Askham Bryan College and York St John University. To progress the review the Task Group plan to hold further meetings with training providers and employers

Options

- 12. Members can decide to:
 - i. Agree to endorse the remit proposed by the Task Group;
 - ii. Amend the proposed remit and suggest any further objectives to complement the proposed remit.

Analysis

- 13. There is no analysis in this report as the Task Group is in the process of gathering information.

Council Plan 2019-23

- 14. This report is linked to several priorities in the Council Plan 2019-23, particularly Well-Paid Jobs and an Inclusive Economy; A Better Start for Children and Young People and An Open and Effective Council.

Implications

- 15. There are no known implications associated with the recommendation in this report. Any implications arising from the final review recommendations will be addressed accordingly.

Risk Management

16. There are no known risks arising from the recommendation in this report.

Recommendation

17. Having considered the information provided within this report, Members are asked to endorse the remit proposed by the Task Group and agree a timeframe for the completion of the review.

Reason: To progress the review in compliance with scrutiny procedures and protocols.

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Wards Affected:

All

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