

Schools Forum			
REPORT TITLE	The Apprenticeship Levy and Public Sector Targets		
KEY DECISION	Yes	Item No.	11
WARD	N/A		
CLASS	Part 1	Date	4 October 2018

1. Purpose of the Report

- 1.1 The purpose of this report is to update the Schools Forum on the use of the Apprenticeship Levy funds and to report on the progress of schools to meet the public sector targets for apprenticeships.

2. Recommendation

- 2.1 The Schools Forum is recommended to:
- 2.1.1 Encourage schools to consider training requirements to make effective use of the apprenticeship levy.

3. Background

- 3.1 The Schools Forum is reminded that the government has committed to creating three million new apprenticeships in this Parliament (2015 to 2020), with two primary measures to achieve this ambition. The two measures are:
- The Apprenticeship Levy
 - The Enterprise Act 2016 which introduces apprenticeship targets for public sector organisations including schools.
- 3.1.1 *Apprenticeship Levy:* Employers with a UK pay bill of over £3m from both private and public sectors will be required to pay 0.5% of that into a levy. The levy payment will be ring-fenced in a digital account held by government and can be used to purchase apprenticeship training.
- 3.1.2 *The Enterprise Act 2016:* The Enterprise Act came into force on 4th May 2016. It introduced a range of changes to employment law including the introduction of apprenticeship targets for public sector organisations in England. The targets will be set by future regulation, but in principle will apply only to those bodies with 250 or more employees. The Act also introduced a statutory definition of ‘apprenticeship’ in England to help set minimum standards. In future, it will be an offence to label any training as an ‘apprenticeship’ unless it satisfies the statutory requirements and forms part of an individual’s employment.

4. What this means for Lewisham Schools

- 4.1 As at 31st August 2018, eligible Lewisham schools have contributed approximately £750k into the levy digital account. Some £41.5k is deposited into the digital account each month from schools.
- 4.2 It should be noted that the first credits made in April 2017 will not be available after March 2019 as they are set to expire after 24 months.
- 4.3 Meeting the public sector target of 2.3% of the workforce as set in 2017/18 means that schools collectively have to work towards creating 224 apprentices by March 2019. The target is headcount based and this has the potential to have an unfair impact on schools where large numbers of the workforce are part-time and do not work enough hours to be eligible to undertake an apprenticeship.
- 4.4 There are no plans to introduce any legal or financial penalties for not achieving the target. However, to ensure public bodies are having regard to the target and in order to increase transparency there will be a duty for public bodies to publish information on progress towards meeting the apprenticeship targets annually. It is anticipated that school progress will be published individually within the annual report. The first of which is due by 30th September 2018.
- 4.5 Given the slow start to the availability of suitable apprenticeships it has been difficult for schools to gain real traction with this and therefore the public sector target, remains a huge challenge for organisations to meet.

5. What is happening that schools can take advantage of?

- 5.1 Approval is currently being sought from the Executive Director of Resources & Regeneration for the Council to join two separate purchasing frameworks which will allow both the Council and schools to draw down training services in a simple and quality assured way.
- 5.2 The two organisations are Eastern Shires Purchasing Organisation (ESPO) and Yorkshire Purchasing Organisation (YPO). Becoming a member of both these frameworks will ensure that schools will be able to access high quality training and development at competitively tendered prices and time saving implications. This is because when service providers sign up ESPO and YPO will have already undertaken part of the procurement process and will have ensured that the service provider meets qualification requirements. The approval to join these two frameworks is imminent.
- 5.3 Arrangements are also underway to consider working with the Royal Borough of Greenwich. Greenwich Council has set up as a training provider and can offer a range of courses suitable to school staff. They are available to present their offer to a suitable headteacher/leadership working

group and to demonstrate the work they have done with Greenwich headteachers.

- 5.4 As at September 2018, schools have secured two teacher training apprenticeships for existing staff comprising one secondary and one primary. Training to become a School Business Manager is being pursued and a CIPFA financial qualification for an existing SBM is also being pursued. Training to upskill a Premises Officer in an engineering capacity is also being considered as the qualification and will allow him to carry out work that is currently outsourced to professionals.
- 5.5 Procurement procedures are currently being managed whilst we await the ESPO and YPO frameworks and schools are encouraged to contact Schools' HR to discuss any training needs they have in mind that could be purchased through the levy funds.
- 5.6 A reminder will go out on the mail shortly encouraging schools to think about what training could be undertaken that would develop staff, give benefit to the school without significant impact on budgets. Schools' HR will be available to receive enquiries.
- 5.7 Management of the digital account remains with the Schools' HR Team.

6. Further Information

- 6.1 Should you require any additional information regarding the items contained in this report please contact:

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