

Young People's Education and Skills: Apprenticeship Sub-Group

AGENDA

Chair: Rebecca Davey **Title:** Assistant Director – Employment, Business and Skills, London Borough of Waltham Forest

Date: 19 November 2020 **Time:** 10.00 – 11.30

Venue: Via Teams

Officer: Tim Gallagher **Email:** Tim.gallagher@londoncouncils.gov.uk

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| Item 1. Welcome, introductions and apologies | Rebecca Davey
Chair (5mins) |
| Item 2. Notes of the last meeting and matters arising | Rebecca Davey
Chair (5mins) |
| Item 3. School Apprenticeships
(presentations 25 mins and Q&A 10mins) | Melody Thornton
LB Waltham Forest (15mins)
Nick Heard
National College of Education
Geraldine Turton (10mins)
Royal Borough of Greenwich |
| Item 4. Pay scales 2020 and Levy Data
(presentation and paper) | Tim Gallagher
London Councils (15mins) |
| Item 5. Updates and discussion of Covid-19 impact on
borough apprenticeships programmes: | |
| • London Councils | Tim Gallagher
London Councils (5mins) |
| • Education and Skills Funding Agency (ESFA) | Andy Lunn
ESFA (5mins) |

- Local Government Association (LGA)

Jamie Saddler

LGA (5mins)

- ASG members

All (5mins)

Item 6. AOB, close and next meeting

Rebecca Davey

Chair (5mins)

Date of next meeting: 11 March 2021, via teams, 10-12noon

- To note: Care Leavers meeting to follow on directly post meeting and colleagues are welcome to stay and take part.
- Proposed schedule of meeting dates 2021-2022
 - 10th June
 - 16th September
 - 2nd December
 - 10th March 2022

***all fall on a Thursday, 10-12, last half hour given over to networking or a particular piece of work.**

Young People's Education and Skills (YPES)

Apprenticeship Sub-Group

Date	10 September 2020	Venue	London Councils
Meeting Chair	Rebecca Davey, Head of Business Growth, Employment, London Borough of Waltham Forest		
Contact Officer:	Anna-Maria Volpicelli		
T:	020 7934 9779	E:	Anna-maria.volpicelli@londoncouncils.gov.uk

Attendance:

Members

Alan Galloway	London Borough of Hillingdon
Amadea Afful	London Borough of Islington
Bridget Arnold	Royal Borough of Greenwich
Cheryl Jones	London Borough of Bexley
Darshna Dhokia	London Borough of Islington
Deborah Allen	London Borough of Lambeth
Denise McShane	London Borough of Hounslow
Eileen Gallagher	City of Westminster
Fatima Zaidi	Royal Borough of Kensington and Chelsea
Iona Jackson-benjamin	London Boroughs of Newham and Havering (OneSource)
Ishma Lakhwani-Coalo	London Borough of Hounslow
Ivan McDougall	City of London
Jack Biggs	London Borough of Hammersmith & Fulham
Jamel Alleyne	London Borough of Barnet
James Pierce	London Borough of Merton
Jamie Saddler	Local Government Association
Joanne Cavey	London Borough of Croydon
Katie Compton	London Borough of Croydon
Kwabena Kimathi	London Borough of Lewisham
Libby Dunstan	London Borough of Southwark
Maxine Sobers	London Borough of Haringey
Melody Thornton	London Borough of Waltham Forest
Michael Marshall	London Borough of Camden

Michelle Fitzgerald	London Borough of Brent
Rebecca Davey (Chair)	London Borough of Waltham Forest
Ripon Miah	London Borough of Tower Hamlets
Rochalie May	London Borough of Barking and Dagenham
Susan Hickey	London Borough of Enfield
Tracey Fergus	London Borough of Haringey
Victoria Isaacs	London Borough of Harrow

In attendance

Andrew Lunn	Education & Skills Funding Agency (on behalf of Steve Latus)
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Officers

Dianna Neal	London Councils
Tim Gallagher	London Councils
Anna-Maria Volpicelli	London Councils

Apologies

Anthony Ristic	London Borough of Lambeth
Brianne Lindsay	London Borough of Bromley
Carol Stewart	London Borough of Lewisham
Christine Shobande	London Borough of Camden
Esmay Bear	London Borough of Hackney
Fenella Beckman	London Borough of Lewisham
Gwendolyn Renwick	London Borough of Redbridge
Julie Cairns	London Borough of Barnet
Katharine Owen	OneSource
Karen Taylor	London Borough of Enfield
Karis Daniel	OneSource
Rosemarie Clark	London Borough of Hounslow
Steve Latus	Education and Skills Funding Agency
Vanita Nicholls	London Borough of Ealing

1 Welcome Introductions and apologies

- 1.1 Rebecca Davey, Chair, welcomed members to the meeting and members introduced themselves.

2 Notes of the last meeting and matters arising

- 2.1 The notes of the last meeting were agreed. With regard to the two outstanding actions, under 2.4(b) Jamie Saddler, Local Government Association (LGA)

advised he has shared London specific survey results with Tim Gallagher, London Councils and under 4(b) Andy Lunn, Education Skills Funding Agency (ESFA) advised that he has escalated the request by London boroughs to be involved in the development of an Apprenticeship Guarantee but added that this still remains at a high level and has not yet filtered down to policy officers.

3 ESFA update – Plan for Jobs

- 3.1 Andy Lunn of Education and Skills Funding Agency (ESFA) spoke to the presentation on the Government's 'Plan for Jobs' which includes proposals around apprenticeships.
- 3.2 The presentation covered payment incentives to employers who take on new apprentices of £1,500 or £2,000, depending on whether the apprentice is under the age of 25. These are only available for 'new apprentices' and not for existing ones or existing members of staff who start an apprenticeship. When queried, Andy confirmed that if an organisation took on an apprentice from another organisation (for example, one who had been made redundant from previous organisation), this would qualify as 'new' and be eligible for the incentive payment. The Apprenticeship incentive ends January 2021.
- 3.3 Andy asked members to note that end point assessments have been extended to the end of the year.
- 3.4 The presentation moved to new information on Traineeships and the rollout of a new Kickstart programme, the latter of which sits with the Department for Work and Pensions (DWP).
- 3.5 Rebecca thanked Andy and opened up the item for questions.
 - The key change with the new incentive payments is that they go directly to the employer, rather than through the providers. Local authorities can therefore claim incentive payments directly.
 - With the traineeships incentive of £1,000, there is a ten person limit per employer, so the maximum amount of incentive payments any one employer can claim is 10k. However, this does not limit the number of traineeships an organisation can choose to deliver, but there will be no further payment for any additional numbers after ten.
- 3.6 The new Kickstart programme will run from September 2020 to December 2021 and sits with the DWP. Andy advised that there is a minimum number of starts of 'thirty' in order to be able to draw down funding but employers can group together to form a cohort and it is possible that the DWP might set up a portal to aid this.

Local authorities can act as intermediaries to support this activity. It was suggested that London Councils could consider hosting a sub-group or task and finish group and Tim advised that London Councils would be holding two information sessions with JCP this following week to which ASG members would be invited.

- 3.7 Andy went on to confirm that levy funds cannot be used to deliver a traineeship. A question was asked about whether the apprenticeship incentive was enough when compared to the incentives for Kickstart and traineeships. Andy advised that an apprenticeship is about employing/investing in what will be a new or existing employee but that traineeships and Kickstart are more 'work placement' programmes whereby you are supporting people to gain the necessary skills to be able to find employment, but who won't necessarily be staying with the same employer in the long term. Andy advised that there is a one-page summary of all current programmes and that he will add this to the presentation for onward circulation to the group post meeting.

Action 3.6: DN to extend invitations to JCP webinars on the Kickstart programme post meeting.

Action 3.7: AMV to circulate presentation and summary of programmes post meeting.

4 Pay scales 2020 and Levy Data

- 4.1 Tim Gallagher spoke to the paper circulated in advance of the meeting which proposes the approach for undertaking the survey of apprenticeship pay data, the amount of levy boroughs have available and how much has been spent, over a two-year period. Last year, the question of 'committed' spend was widely interpreted differently across the boroughs so this question will not be included in this year's survey. The survey will be circulated at the end of week commencing 14th September so that results will be available for discussion at the next ASG meeting in November.

5 Apprenticeship Awards 2020

- 5.1 Rebecca advised that as Chair of the judging panel for this year's awards, it had been extremely hard to determine winners. The calibre of nominations was extremely high and the judging panel were really impressed at the way apprentices had adapted to the huge challenges and stepped up during the

height of the pandemic. Rebecca asked colleagues to relay this to all the nominees on the judging panels behalf.

- 5.2 With the move to an on-line format for this year's awards, Tim asked members if they had any feedback on the format or any comments. In response, Eileen Gallagher, Westminster and Joanne Cavey, Croydon, both of whom have had winners announced over the last few days, expressed their thanks for the awards process and said that this makes a huge change and has a positive effect, for people nominated, shortlisted and for those who go on to win.

6 Updates and discussion of Covid-19 impact on borough apprenticeships programmes:

London Councils

- 6.1. Tim advised that two London specific boards have been convened to assist London's economic recovery, [The London Transition Board](#) and [The London Recovery Board](#), the latter chaired by the Mayor of London and the chair of London Councils. London Councils will be working with the GLA over the coming months.
- 6.2 The care leavers meeting will continue straight after the end of this meeting and members are welcome to join the existing participants by remaining on the call. There will be a presentation in the meeting from Microsoft on the various pre-employment resources they offer, which may be of use for boroughs looking to provide pre-employment training to care leavers or more widely.

Local Government Association

- 6.3 Jamie Saddler advised that local authorities have queried a couple of things about the new government incentives, one being what happens if the apprentice is a regular employee, and the other around employers who have shared PAYE services and how, as an individual employer, they claim the incentive payment. Jamie said he has spoken with the ESFA on both these matters and hopefully will have an answer soon.
- 6.4 The email circulated yesterday on the webinars taking place next Wednesday 16th September on the latest funding rules contained a faulty link and this has been amended and re-circulated. Anyone who still experiences any difficulty should contact Jamie directly.
- 6.5 Work around an alternative for the business admin L2 framework is continuing but it is slow progress. In June/July conversations were had with HEE about

developing a L2 Organisational Support Assistant Standard, and it has now been decided to form a trailblazer group to look at a more public sector focussed alternative working with NHS and local government. However, before work can start on pulling together a standard for approval, they need to find out why the IFA rejected previous applications so these hurdles can be overcome.

Realistically, the process could take eighteen months or longer but it is too big a gap to leave. Jamie said that if anyone is interested in participating on the trailblazer group to contact him directly.

- 6.6 In answer to whether demand for the previous framework held much sway with IFA, Jamie said that although this carried some weight, it was not a deciding factor.

Action 6.4: AMV to circulate latest email for next weeks' LGA webinars with updated links to members.

7. Working with local employers

- 7.1 Katie Compton, London Borough of Croydon spoke about the work that Croydon are doing with local employers to create apprenticeships. During lockdown it was difficult to communicate with local employers but prior to and since the easing of restrictions, they have had a hands on approach. Croydon has opened their levy pot to encourage companies to continue employing local residents and worked to make the process as simple and accessible as possible. They work on building good relationships and on the basis that success has a snowball effect. They have a job brokerage arm called Croydon Works and the Croydon Apprenticeship Academy forms a network for employers and training providers. Although the hands on and face to face approach is a strain on resources, it does yield good results.
- 7.2 Joanne Cavey, London Borough of Croydon, spoke about the 100 in 100 campaign, which sought to deliver 100 apprenticeship job outcomes in 100 days across the borough. The campaign left a legacy of relationships with employers but also gave them insight into how SMEs work and helped them to understand business needs and how best they could work to support them. Businesses were asked to follow the Good Employer Charter and sign up to Section 106 initiatives. It was time consuming but worth it.
- 7.3 Libby Dunstan, London Borough of Southwark said they will also be reviewing the landscape going forward. During the initial stages of the pandemic they stood back from local employers as they felt this approach would give them time to

focus. With the easing of restrictions, Southwark council are exploring the options of increasing communications and how best to encourage networking via virtual activities as physical events are still out of the question. They will be working to keep pace with government initiatives and work through overlapping programmes. They are looking to work with London Progression Collaboration to help 16-18 year olds to access apprenticeships and will continue to work with schools connecting them with providers.

- 7.4 In response to any questions, upskilling from L4 to L5 was mentioned which would help support local economic recovery. Joanne said that Croydon has just missed out on signing up to the London Progression Collaboration's Reskilling the Recovery campaign but have been signposting employers towards it.

8. AOB

- 8.1 There has been a change of date of the next meeting from the 3rd December to 19th November.
- 8.2 Rebecca reminded colleagues that any feedback on how these meetings are working, and any topics members might like considered for discussion at the next meeting, should email Tim.gallagher@londoncouncils.gov.uk
- 8.3 Michael Marshall, Camden, asked whether a 'Teams' channel could be set up for members and it was agreed that this would be looked into.

Action 8.1: AMV to circulate updated calendar invite for new meeting date.

Action 8.3: TG to look at setting up of a Teams channel for local authority colleagues.

Date of next meeting: Thursday 19 November 2020, 10-12.00, via MS Teams

Apprenticeship Sub-Group - actions and updates from 10.9.20

Date of meeting	Item	Action	Whom	Comment	Open/Closed
12.03.20	2.4(b)	Jamie to share London data from the LGA's survey with London Councils/ASG once the survey has finished.	JS	London specific data has now been shared with London Councils	Closed
25.6.20	4(b)	Andy Lunn to ask if local authorities can feed into the development of an apprenticeship guarantee.	AL/SL	Andy confirmed that the request by boroughs to be involved in the development of an apprenticeship guarantee has been fed back	Closed
10.9.20	3.6	Extend invitation to borough colleagues to join the JCP information sessions on Kickstart	DN	Invitation and details circulated in email of 11.9.20	Closed
10.9.20	3.7	Circulate presentation given under Item 3. ESFA update - Plan for Jobs and one page summary of programmes	AMV	Presentation circulated post meeting note 28.9.20, one page summary circulated 20.10.20	Closed
10.9.20	6.4	Circulate updated LGA webinars email with corrected link	AMV	Circulated 10.9.20	Closed
10.9.20	8.1	Send updated calendar invite for new date of next meeting (19.11.20)	AMV	To be circulated immediately following post meeting note 28.9.20	Closed
10.9.20	8.3	Look at feasibility of setting up a 'Teams' channel for borough colleagues	TG	In progress	Open

Apprenticeship sub-group

Apprenticeship pay survey 2020

Item 4(a)

Date: 19 November 2020 **Contact:** Tim Gallagher
Tel: 020 7934 9916 **Email:** Tim.gallagher@londoncouncils.gov.uk

Summary	This paper outlines the main trends in apprenticeship pay among the London boroughs.
Recommendation	Group members are asked to: 1. note the information in this paper; 2. discuss the results of the survey.

1. Background

- London Councils first surveyed London boroughs to identify different levels of apprenticeship pay in 2016. This is the fifth year that we have carried out a survey on apprenticeship pay. The aim is to provide a resource for boroughs to benchmark their pay against others. The pay rates submitted by boroughs should refer to new apprentices rather than existing members of staff starting an apprenticeship.

2. Results of the survey

- The survey of boroughs was undertaken during September and October 2020. A total of 32 boroughs and the City of London responded to the survey, a response rate of 100 percent. The survey results represent a comprehensive picture across the London boroughs, but are just a snapshot.
- The data received is set out in an anonymised table in Appendix 1. It sorts the data from lowest to highest for Level 2 apprentices.
- As a benchmark, the table below shows the the rates for London Living Wage and National Minimum Wage when the survey was carried out and the previous year:

	2019-20	2020-21
London Living Wage	£10.55	£10.75
National Minimum Wage		
Aged 25 and above	£8.21	£8.72
21-24 years inclusive	£7.70	£8.20
18-20 years inclusive	£6.15	£6.45
Under 18	£4.35	£4.55
Apprentice under 19	£3.90	£4.15
Apprentice 19+ in first year	£3.90	£4.15

3. Key points from the survey

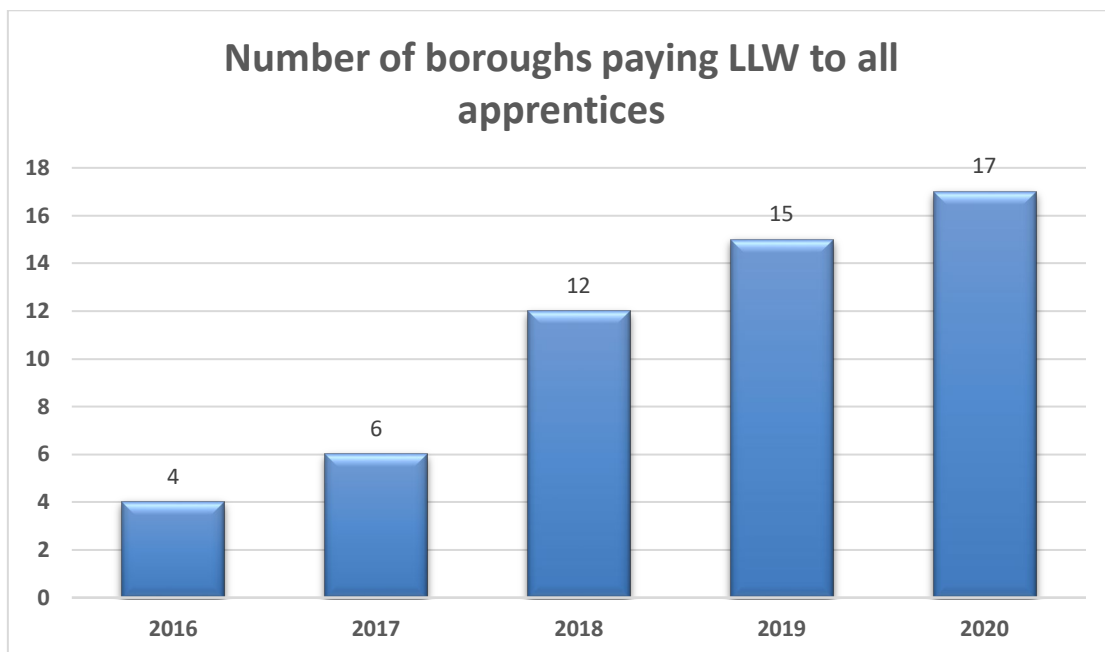
- Apprenticeship pay varies considerably across London boroughs. For Level 2 apprenticeships, the hourly rate ranges from £4.30 to £12.29. The average is £9.02 and the median is £10.75.
- Level 3 pay ranges from £5.95 to £12.29. The average is £9.64 and the median is £10.75.
- 31 respondents (94 percent) gave a flat rate of pay for apprenticeships at Levels 2 and 3. Two boroughs vary pay according to the individual apprenticeship at all levels, meaning they do not have a set pay rate for apprentices at any level or age.
- For higher level apprenticeships, the hourly rate ranges from £8.72 to £15.24. However most boroughs have varying rates of pay for higher level apprenticeships. Where a single rate of pay is listed, this should be seen as a minimum. 7 boroughs stated that their rate of pay increased after 6 or 12 months. 8 boroughs did not provide any data at all for higher levels, stating that pay levels varied depending on the job specification.
- 19 boroughs pay the full National Minimum Wage (£8.72) or above for all apprenticeships (58 percent of respondents).

- 17 boroughs pay the London Living Wage (£10.75) or above for all apprenticeships (52 percent of respondents).

4. Comparisons with previous years

- The number of respondents paying the London Living Wage or above to all apprentices has increased from 15 in 2019 (45 percent) to 17 (52 percent). This has increased year-on-year; in 2016 just four boroughs (18 percent) paid the London Living Wage.

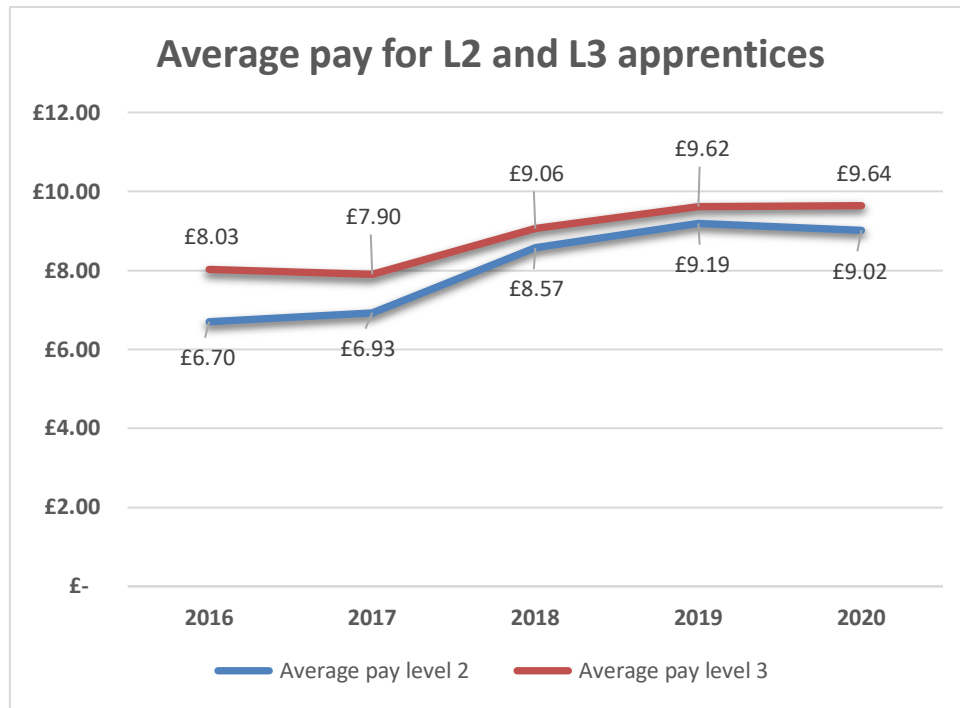
*The chart below shows the number of boroughs that have paid the London Living Wage in each year from 2016 to 2020.



- All boroughs now pay at a rate above the National Minimum Wage for apprentices (£4.15) for all levels, for the second year in a row.
- The wide variation in pay levels for apprentices between London boroughs remains.
- The average pay for entrants at Level 2 has actually fallen slightly from the previous year. However this can be explained by variations in reporting, as in previous years more boroughs provided ranges of pay at Level 2 and 3 rather

than minimum pay, which had the effect of increasing the average amount. The overall trend since 2016 is an increase in average pay at all levels.

*The graph below shows the average pay for apprentices at Levels 2 and 3 in each year from 2016 to 2020.



5. Recommendation

Group members are asked to:

1. **note** the information in this paper;
2. **discuss** the results of the survey, as outlined in this paper.

Appendix 1 - Apprentice pay levels in London boroughs, October 2020

*The table below shows how much each borough pays apprentices at Levels 2, 3 and 4+. The data is anonymised.

How much are L2 apprentices paid per hour?	How much are L3 apprentices paid per hour?	How much are higher level apprentices paid per hour?	Additional Comments
£4.30	£7.52	Various	L2 and 3 uplifted to NMW after 12 months
£5.10	£6.90	No set rate	L2 and 3 increase after 6 and 9 months
£5.30	£6.70	Various	L2 and L3 rise after first year. L4-7 range from £8.10 to £13.03.
£5.37	£6.70	£10.78	L3 increases in years 2 and 3. Level 7 paid £13.07
£5.95	£5.95	Various	
£6	£9.30	£10.75	L2 rises to NMW after probation, L3 to LLW
£6	£8.72	£12.25	
£6	£6	Various	L2 and 3 uplifted to NMW after 12 months
£6.09	£8.54	£15.24	No L2 learners at present, so baseline grading hasn't been updated
£8.20	£8.72	Various	L4/5 £10.75 L6 £13.03
£8.60	£9	£9.60	
£8.72	£8.72	£8.72	Level 5 and above has not been delivered
£8.72	£8.72	£10.75	
£10.75	£10.75	£10.75	Pay rates start at LLW for L4 and 102.5% of LLW for L5. Increases at 6 and 12 months.
£10.75	£10.75	£10.75	All new starters paid at LLW
£10.75	£10.75	£10.75	
£10.75	£10.75	£10.75	
£10.75	£10.75	£10.75	All paid LLW
£10.75	£10.75	£10.75	
£10.75	£10.75	£10.75	
£10.75	£10.75	£12.18	L4 £12.18-£13.32. Above L4 gets evaluated by HR.
£10.75	£10.75	£10.75 or higher	
£10.75	£10.75	N/A	
£10.75	£10.75	Various	
£10.75	£11.98	Various	L4 £12.87 L5 and above - various
£10.78	£10.99	Various	

£10.84	£10.84	Various	L5 and above start on £14.14
£11.52	£11.52	Various	
£11.86	£11.86	£12.29	Higher levels rising to £14.69
£12.29	£12.29	£12.97	
Various	Various	Various	
Various	Various	Various	Pay dependent on age rather than level

*Please note that Richmond and Wandsworth Councils provided a joint response to reflect shared staffing arrangements.

Apprenticeship sub-group

Apprenticeship levy survey 2019 Item 4(b)

Date: 19 November 2020

Contact: Tim Gallagher

Telephone: 020 7934 9916 **Email:** Tim.gallagher@londoncouncils.gov.uk

Summary This paper outlines the main trends in apprenticeship pay among the London boroughs.

Recommendation Group members are asked to:

1. **note** the information in this paper;
2. **discuss** the results of the survey.

1. Background and results of the survey

- London Councils first surveyed boroughs on their use of the apprenticeship levy in 2019 and decided to repeat the process in 2020.
- The survey of boroughs was undertaken in September and October 2020. A total of 32 boroughs and the City of London responded, a response rate of 100 percent.
- Respondents were asked two questions about their use of the apprenticeship levy between April 2018 and March 2020: how much levy was available to them; and how much was spent during that time period.
- The period of two years was chosen as this is how long employers can use the levy funds before they expire and are returned to government.
- The results show that there is a significant underspend of the apprenticeship levy across all London boroughs. A total of **£51,683,390** in levy funds was available to boroughs in between April 2018 and March 2020, of which **£13,272,372** was

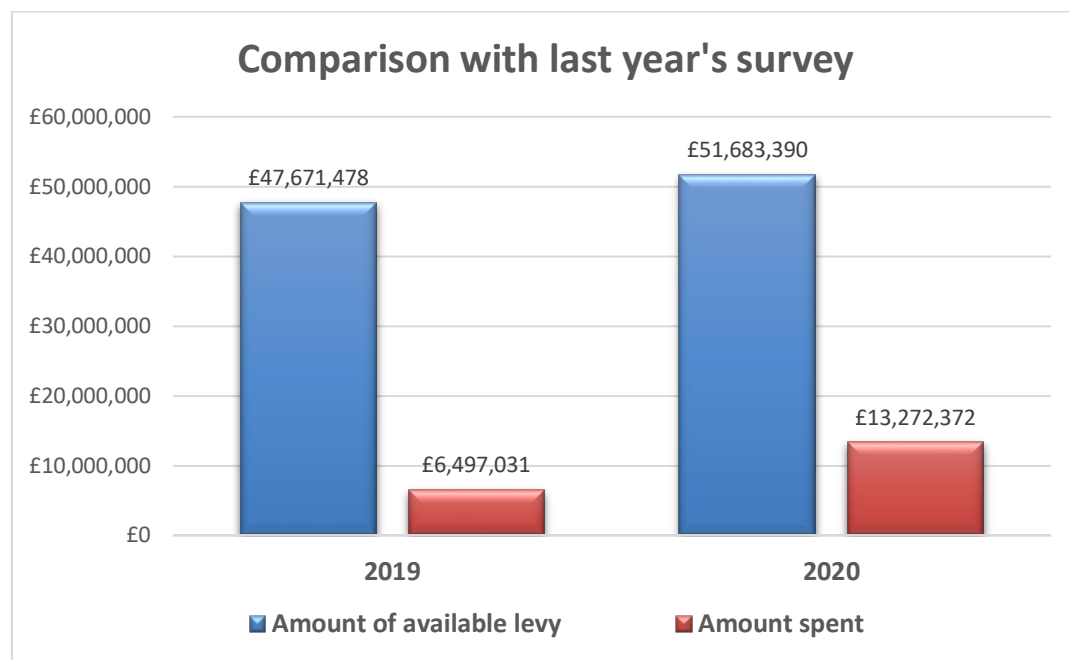
spent. With the exception of two boroughs, these figures include local authority and maintained schools.

- On average, London boroughs spent **26 percent** of the total levy funds available to them between April 2018 and March 2020. The median figure was **24 percent**. The borough that spent the highest percentage of levy funds available to them spent **61 percent**, while the borough spending the lowest percentage spent **8 percent**.

2. Comparisons with last year's survey

- In last year's survey – which covered the period of April 2017-March 2019 - boroughs reported spending £6,497,031 in total, representing 13.6 percent of the total amount available. So this year boroughs have doubled their spending of the apprenticeship levy.

*The graph below shows how much apprenticeship levy boroughs had available to them and spent in total, both this year and from our survey results last year.



- This year, five boroughs spent more than 50 percent of the levy funds available, compared to none the previous year. 16 boroughs spent more than 25 percent of funds, compared to 7 last year. Just two boroughs spent less than 10 percent, compared to 14 boroughs last year.

3. Analysis and policy implications

- There has been clear progress among boroughs in spending the levy and this should be acknowledged and celebrated.
- Despite this progress, boroughs are still returning **more than £38 million** in unspent levy funds every two years to the Government, representing **74 percent** of the total amount available to them. This is a sizeable amount which should be used to train up more apprentices, particularly at a time when unemployment is increasing. Unfortunately, flaws in the design of the apprenticeship system are preventing boroughs from doing this.
- It is also worth noting that the period covered by the survey was almost entirely before the Covid-19 pandemic. It is likely that boroughs are now spending a much lower proportion of their levy funds. Despite lobbying from the LGA and others, levy funds are still expiring at the end of the two year period.
- Some boroughs provided comments on the challenges they have faced in trying to spend the levy (see Appendix 2). As we all know councils are under considerable financial pressure, and therefore it has been difficult to fund salaries for new apprentices or release existing staff for 20 percent of worktime spent in training. The administration and management required for taking on apprentices is time-consuming and labour intensive. As one respondent put it, 'the strategy, systems and procedures required to enable the increase in apprenticeship starts and spend from levy requires much time and resource'. The negative impact of the Covid-19 pandemic on London borough finances is likely to increase this barrier to spending the levy.
- In previous years the lack of availability of certain apprenticeship standards has been cited as a barrier to the recruitment of apprentices. Although more standards have now been developed, the withdrawal of frameworks and particularly the Business Admin Level 2 framework could affect recruitment in the future.

- It is not just the public sector that is struggling to pay the levy. The 2019 Business 1000 survey, carried out by London Councils and the London Chamber of Commerce and Industry, found that only 45% of levy-paying businesses employed any apprentices at all. 60% of firms that expected to pay the levy and planned to use their funding anticipated that they would use half or less of their levy funds, with only 16% indicating they would use more than a half.
- London Councils has previously lobbied central government to introduce greater flexibilities to the apprenticeship levy. These flexibilities include:
 - Allowing for pooling and joint purchasing of transferred apprenticeships
 - Allowing some levy funding to be used for pre-employment training to get people ready for an apprenticeship
 - Allowing up to 10% of levy funding to cover administration costs
 - Working with employers and providers to explore ways to increase the number of more flexible or part time apprenticeships.
- We will continue to lobby government on these issues. We would be interested to hear from boroughs about whether you think these reforms would enable you to spend more of the levy, or whether other reforms are needed.

Recommendation

1. Group members are asked to:
 1. **note** the information in this paper;
 2. **discuss** the results of the survey and possible reforms to the apprenticeship levy.

**Appendix 1 - Apprenticeship levy spend by London's boroughs April 2018 -
March 2020 (anonymised)**

*The table below shows how much apprenticeship levy each borough had available to them, the amount they spent and the percentage they spent. The data is anonymised.

Apprenticeship levy available	Apprenticeship levy spent	Percentage of levy spent
£318,102	£26,788	8%
£1,696,961	£149,655	9%
£3,613,234	£377,032	10%
£2,561,102	£296,935	12%
£1,236,074	£156,451	13%
£2,324,994	£303,270	13%
£1,295,162	£169,313	13%
£1,240,701	£177,950	14%
£998,050	£160,800	16%
£1,741,441	£297,426	17%
£1,966,096	£357,455	18%
£1,602,704	£329,139	21%
£1,478,598	£309,954	21%
£1,525,956	£330,587	22%
£2,413,057	£533,710	22%
£538,029	£127,098	24%
£1,065,764	£262,046	25%
£2,299,129	£570,978	25%
£2,852,622	£717,404	25%
£1,999,623	£515,082	26%
£1,950,610	£529,694	27%
£1,756,654	£485,281	28%
£2,324,026	£653,502	28%
£512,812	£193,613	38%
£1,333,365	£504,660	38%
£1,092,242	£447,100	41%
£2,419,138	£1,143,391	47%
£1,006,968	£531,104	53%
£1,064,710	£591,380	56%
£1,278,447	£716,189	56%
£1,425,534	£845,383	59%
£751,486	£462,000	61%

* Please note that Richmond and Wandsworth Councils provided a joint response to reflect shared staffing arrangements (doesn't include schools)

Appendix 2 – Challenges in spending the apprenticeship levy

Boroughs highlighted the following issues as challenges in spending the levy:

- The strategy, systems and procedures required to enable the increase in apprenticeship starts and spend from levy requires much time and resource. The Council is under enormous pressure with cuts to funding while demand for services increases. In this environment it's difficult to fund salaries for new apprentices or release existing staff for 20% of worktime spent in training.
- There are still a number of apprenticeships that are technically available but we are not able to deliver as there are no training providers (such as Fire Safety Inspector, Level 4).
- Policies continue to change rapidly which has made project management and senior level briefings difficult.
- Managers not having the salaries to hire an external apprentice
- Myths/preconceptions on apprenticeships only being available to young people, they only offer lower level courses, apprenticeships only in traditional professions
- Managers cautious to take on external apprentices due to myth that they are hard to manage/takes a lot of time to support in times of high workloads for managers
- Internal staff cautious to undertake training due to high workload and may be hard to manage both work/training
- Coronavirus – people working from home finding it difficult to study due to childcare responsibilities
- Coronavirus – apprentice withdrew from apprenticeship due to fears re COVID
- Schools – lack of engagement by schools, they do not have the funds to hire an external apprentice and cautious to take on existing staff as apprentices due to workload capacity
- Limited interest from local businesses in levy transfer given borough has majority SMEs that can attract full funding directly from government

- Levy spend would be aided by having training available in London – HGV, Countryside Worker, Occ Therapist are some of the avenues we could not utilise due to lack of training providers available
- Quality of training providers also an issue affecting repeat apprenticeships due to poor training and service
- We have had some issues with the DAS data which we hope has now been resolved.
- It remains an issue that number of standards are not available particularly at level 2, the quality of the providers who are approved to deliver these standard and their financial stability have caused us concern.
- COVID and the lack of an entry level 2 standard is affecting our recruits moving forward but we have more interest in upskilling for higher level degree apprenticeships.