



Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

SCRUTINY COMMISSION	10 JULY 2018
ETHICAL GOVERNANCE AND PERSONNEL COMMITTEE	12 JULY 2018
EXECUTIVE	1 AUGUST 2018

WARDS AFFECTED: 'ALL WARDS'

CORPORATE APPROACH TO RECRUITING AND DEVELOPING TRAINEE STAFF

Report of Director (Corporate Services)

1. PURPOSE OF REPORT

- 1.1 To present to members a package of options to recruit and develop the council's trainee workforce.

2. RECOMMENDATION

- 2.1 That members support the following recommendations:

- 1) To note the positive work achieved to date
- 2) To support the implementation of a corporate trainee scheme offering a mix of placements covering both internships and apprenticeships
- 3) To commit to corporate funding to offer two internships for a two-year period, based upon the national minimum wage, targeting professional posts at graduate level
- 4) To commit to corporate funding to offer two apprentices for a two-year period focussing upon all posts within the council from administrative/manual level up to technical level
- 5) Agree that middle managers, following consultation with HR, will be required to bid from the corporate fund based upon a business case
- 6) Agree that HR will oversee the recruitment and induction process and manage the outgoing contract.

3. BACKGROUND TO THE REPORT

3.1 One of the strategic aims within the People Strategy approved in 2017 was to 'Nurture and Attract Talent'. In order to achieve this aim, a series of actions were identified within the strategy with a particular focus upon the trainee workforce. It is recognised that in order to maintain capacity and aid succession planning, there is a need to develop a more robust corporate approach to trainee recruitment and development that is sustainable. This can be achieved using a variety of options outlined below:

- Structured work placements such as school/college work experience and internships
- Development of a corporate apprenticeship scheme
- Attracting and developing newly qualified graduates either through professional or management routes

3.2 The council has already engaged in initiatives such as recruiting apprentices, graduates and offering work experience placements and has been doing so for a lengthy period of time. Whilst the council has seen an increase in such posts over the last two years, the approach however has been relatively piecemeal due to the restricted funding of posts, given that trainee posts are expected to be funded from existing establishment budgets. This means that the council is heavily reliant upon service managers to make provision for apprentices/graduates to be maintained within service budget, which is a challenge over the longer term. To illustrate this point, a vacancy at admin level becomes available and the manager decides to recruit an apprentice to the post. After the apprenticeship ends, the team may want to retain the employee as they want to develop them further; they then subsequently appoint and the apprenticeship post is then converted back to an establishment role and the apprenticeship vacancy then disappears.

3.3 Whilst this is a success for the trainee and the council, this stifles the opportunity to recruit and develop more trainees. The council only retains the budget if the employee leaves, which is counter-productive to our strategic aim. It is recognised that employers who offer work experience, apprenticeship and internship programmes typically report significant benefits to their business. Following recent discussions at SLT it was agreed to revisit the council's strategic approach to trainees and to consider, at a corporate level, the opportunities that could be pursued as a council moving forwards.

3.4. INTERNSHIPS

There are a number of different phrases used to describe non-contractual work that offers a young person some expertise in the workplace. This may be during their time at school (typically lasting a couple of weeks and referred to 'work experience') or university (usually lasting up to a year and called work placements) or they have just finished education and entering the labour market for the first time. However the market has seen internships more recently associated with graduates entering the labour market and wanting to enter a particular profession, as it is perceived to be an informal means of gaining practical insight into a particular career and a rung on the 'work ladder'.

Developing a corporate approach to developing an internship scheme does need careful consideration. The primary purpose of internships is to provide interns with meaningful experience that enhances their employability and skills. That said there

are real benefits of running a corporate internship scheme such as gaining a new and motivated member of staff, bringing new skills and perspective to your organisation and potentially improving productivity.

There are some debates as to whether or not internships should always be paid positions. Traditionally it is suggested that the quality of the experience is the most important factor for the intern rather than pay, as the short term economic costs of an internship can often be offset by the long term advantages to an individual's career – however this is only true if the internship is of sufficient quality. The counter argument is that unpaid internships receive criticism as legally the council is required to pay the national minimum wage if the intern is carrying out 'work' for an organisation (not just shadowing etc.); furthermore there is the moral argument that paying an intern is not only the right thing to do, but it also helps to widen access to more choice of quality interns.

3.4.1 Internships - at the council

The council has historically offered varying internships as follows:

Work experience (under 16)

The council offers work experience placements of up to one week in a variety of services. For this we have worked with requests from parents and schools directly or have arranged placement with the Leicestershire Education Business Company (LEBC) who coordinate work experience across Leicestershire and the East Midlands. The council supports on average over 10 placements per summer.

Work placements

The council has placed a number of college and university students on short term and longer term work placements in various teams such as Planning, Housing and Environmental Health and Legal. These schemes are usually offered by employers directly or from universities either on a seasonal basis or for a period of up to 12 months as part of a placement (which can be on a paid and unpaid basis).

Examples:

Environmental Health - the team support a student Environmental Health Officer's (EHO) on an annual basis offering a one year placement. The students are usually in study or have completed their final year at university. Student EHO's meet the exemption in regard to the national minimum wage because they are required to complete a learning portfolio before graduation as a fully fledged Environmental Health Officer and the placement is for one year only. The council pays a bursary amount of £1000 every quarter for the duration of their one year placement to cover study materials plus mileage expenses. Whilst, not legally required, the students ideally should be paid the minimum wage job role however historically this has not been pursued due to limited budget. If the council did consider changing this approach it might be able to attract a broader choice of applicants.

Planning – during 2014 the Head of Planning recruited six graduate posts using temporary funding in order to support capacity issues within the service, following a failure to successfully recruit planning officers. The HR team contracted university placement managers at Bristol, Birmingham, Liverpool, Newcastle, Sheffield and Nottingham for students graduating that year.

The campaign was deemed successful as four posts were made permanent (Grade 5 equivalent to a Planning Assistant) and has remained sustainable with four graduates currently placed in Development Control and Policy.

Other university placements

An alternative approach, which the council has trialled in the past, is to take part in formal schemes (such as those highlighted below) ran by local universities, however we have had limited take up when circulated to managers.

1. **Demontfort University Graduate Champions** – the scheme sought to place current students and recent graduates on six week paid internships with leading UK businesses. Students apply in March each year with placements to start during the summer. DMU pay the students the Living Wage which currently stands at £8.75 an hour directly for 18.5 hours a week for six weeks.
2. **Leicester University** – the university attempted to place graduates into paid internships. As the employer we would have to focus the internship in one specific project or across a range of work. The university advertises to students and provides a pool of candidates to choose from. Internships last six months on average (minimum duration: ten weeks) and start in July each year.
3. **Loughborough University –School of Business and Economics** - a year-long placement is as a mandatory part of Loughborough University undergraduate degree courses. Placements are paid by the employer at their agreed pay rate for a period of 6 months up to 12 months with placements starting between July and September each year.
4. **National Graduate Development Programme (NGDP)** – ran by the LGA this is a two year programme. This is a national programme aimed at graduates who want to become future 'leaders'. As a management trainee they will undertake a two-year placement which has to be structured across three disciplines. This was explored by SLT, but felt that given the size of the council, a work placement at a management level would prove impractical.

Government work programme – Dorothy Goodman

The school is classed as 'outstanding' and its pupils have a wide variety of special educational needs and disabilities. Working with the school, the council provides a twelve-month work programme (since 2015/16) for those who are studying level 2 qualification in Horticulture, working with the Green spaces Team. We also offer work placements within the Communications Team placing four students, every three months and supported by a companion, to fold and envelope the Borough Bulletin. This allows the students to gain experience in the work environment.

'EmployAbility' Programme – Cadent

The council has made a commitment to work with Cadent who recently launched it's corporate 'EmployAbility' programme. This is an internal work experience scheme run by Cadent offering work experience to pupils at the Dorothy Goodman school (who then have the opportunity to complete a BTEC qualification). Following the success of the scheme, Cadent has sought to offer the model they use to other businesses within the area and the council has agreed to sign up to the scheme.

Work trials with Jobcentre plus

The council has an ongoing commitment to work with the local Job Centre plus to offer work trials for people who are Not in Education, Employment, or Training

(NEET) in order to build experience and confident to get back into the workplace. These trials are unpaid as they meet the exemption. The council has placed 28 work trials since April 2015 in areas including Refuse Collection and varying admin roles in Cultural Services, Revenues and Benefits, Housing Repairs, Democratic Services, Finance, Elections and Streetscene Services. Since the scheme has started the council has placed over 35 jobseekers, with eight of those placements going on to secure temporary and permanent contracts with the council.

3.4.2 **Summary – Internships**

The council has made successful inroads to offering work placements for both short and long-term internships. Schemes such as work experience (school students) and the Dorothy Goodman ideally should be maintained.

There does however need to be a more structured and coordinated approach including a senior commitment to hiring interns that is corporately fully funded. Strategically, and following consultation with middle managers, HR could recruit interns to the HBBC scheme, typically at a graduate level and target areas that have capacity issues or to meet the needs of succession planning in high risk teams, where there are ageing employees or high turnover. It is suggested that placements are limited to professional teams, as technical and clerical posts could be covered by Apprenticeships (see next section of this report).

In terms of process, it is suggested to retain a corporate fund to cover two internships over a two-year period based upon the national minimum wage (the fund will have the flexibility to offer a mix of temp contracts based upon whether the internship is part of placement for an under graduate programme or a new post for a post graduate). Middle managers, following consultation with HR, will be required to bid from the corporate fund based upon a business case. HR will oversee the recruitment and induction process and manage the outgoing contract.

3.5 **APPRENTICESHIPS**

An apprenticeship allows students to enter the job market and gain a qualification and is a key government policy in the UK, with the introduction of the apprenticeship levy in April 2017. The council, as an employer with over 250 staff, is required to meet the public sector apprenticeship target of 2.3% of the workforce each year. This equates to 9 apprentices at the council p.a. until 2021. The council's annual apprenticeship levy is approximately £35,000 per annum; this just covers training costs and not the salary costs of employing an apprentice.

To meet the definition of an apprenticeship, the apprentice has to be in a real job, be on an approved apprenticeship standard for a minimum of 12 months, work 30 hours per week and 20% of the apprentices' time should be for 'off the job' training. The apprentice should also be paid the minimum apprenticeship rate of £3.50 per hour or other suitable rate of pay for the role that will attract high quality apprentices (the council currently pays NMW £5.90 and after a year paid based upon their age).

At the end of the apprenticeship, where a job opportunity continues to exist and where the apprentice wishes to remain, the apprentice should be offered a permanent contract. Where this is not possible, the council and the apprenticeship provider must support the apprentice to seek alternative opportunities.

The council is required to report on an annual basis to the DFE all apprenticeship 'starts' for each year. For the financial year 2017/18 this has to be done by 30

September 2018. The report must also include any details of action the council has taken to meet/or in some cases, any mitigation if the target has not been met.

Apprenticeships levels start at:

- Level 2 - equivalent to G.C.S.Es
- Level 3 - equivalent to A levels
- Level 4 and above – known as higher or degree apprenticeships working toward qualifications such as a foundation degree or the equivalent of a bachelor's degree - without paying tuition fees.

There is a large number of existing apprenticeship standards, some of which the council has already accessed such as: Business Administration, Customer Services, Finance, Horticulture, Street Cleaning, LGV Drivers, Carpentry and Plumbing. The apprenticeships standards that are currently available are set out at **Appendix 1**. To illustrate, the council has appointed 7 apprentices with positions in areas such as Finance (completing an Association of Accounting Technicians (AAT) Level 3), Business Administration in Revenues and Benefits (Level 2) (provided by North Warwickshire and Hinckley College). The council has also upskilled four Grounds Maintenance team members through a Horticulture apprenticeship at Level 2 (provided by Brooksby Melton College).

There are also apprenticeship standards that are still in progress at **Appendix 2**. Of interest is those at a higher levels relating to service areas including Planning (predicted to be completed by September 2018), Building Control and Environmental Health. This could be an alternative option moving forward if staff do not want to progress through the traditional route of university.

At present, the council recruits as and when an establishment vacancy becomes available, particularly if there are skills gaps or capacity issues. The weakness of this approach is that it is unstructured as it relies on staff leaving and does not really tackle succession planning in high risk areas. Another factor is that the council also has to attempt to meet the target set by the DFE. For 2017/18 the council employed seven apprentices 'starts', which is a shortfall of two apprentices in year 1. At the start of 2018/2019 the council recruited one apprentice with one being considered for recruitment.

Please note that the target is a rolling target, and therefore the shortfall can be recouped by 2021.

3.5.1 **Summary – Apprenticeships**

It is recommended to develop a model similar to the internship programme. However the apprenticeship scheme would be open to all posts within the council from administrative/manual up to technical/professional and should the standards allow, up to degree level. As above, it is suggested to retain a corporate fund to cover two apprenticeships over a two- year period based upon the current pricing model (national minimum wage). Middle managers, following consultation with HR, will be required to bid from the corporate fund based upon a business case and HR will continue to oversee the recruitment and induction process and manage the outgoing contract.

- 3.5.2. To supplement this approach, managers will still be encouraged to recruit apprentices from their service budgets when a vacancy arises in order to meet the annual target. At present this approach is enforced via the recruitment request form whereby the

challenge is made to the recruiting manager to consider an apprenticeship post prior to recruitment.

- 3.5.3 By adopting a blended approach to recruiting and developing staff will allow the council to attract candidates from different educational environments and meet the needs of the diverse skills of the council's officers.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

- 4.1 The report to be taken in open session.

5. FINANCIAL IMPLICATIONS [AW]

- 5.1 The approximate annual cost of each apprenticeship is £14,070 and for each internship £5,000 for a bursary payment. This is based on £5.90 per hour for apprenticeship and a set payment for internships pro rata for part year.
- 5.2 The report proposal is to have up to two of each type (4 in total) which would cost approximately £38,140 for the first year, if intern posts were full time for twelve months, which may not be the case.
- 5.3 Over a five year period, such as used for the Medium Term Financial Strategy (MTFS), the cumulative costs is likely to be in the region of £0.2m allowing for pay increments at 2%, which would fall on either the general fund or HRA depending on where the placements were working in the council. These costs have not been included in the current MTFS.

6. LEGAL IMPLICATIONS [AR]

- 6.1 None arising directly from this report.

7. CORPORATE PLAN IMPLICATIONS

- 7.1 The policy ensures that the council provides a safe and healthy workplace whilst meeting the obligations of the Data Protection Act 1998.

8. CONSULTATION

- 8.1 Discussions have taken place with the local trade union branch and have been positively received.

9. RISK IMPLICATIONS

- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:

None

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 None.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: None.

Contact Officer: Julie Stay, HR & Transformation Manager Ext 5688

Executive Member: Councillor C. Ladkin