

Item no.

Report to: **Executive**
Date: **Tuesday 5th July 2005**
Report of: **Executive Member for Corporate Services**
Subject: **Modern Apprentice Programme**
Ward: **All**

1. **Purpose of Report**

1.1 The purpose of this report is to update Members on the progress of the Authority's and East Durham Homes' current Modern Apprentices and consider the potential for an intake this year.

2. **Consultation**

2.1 In producing this report I have consulted with the Environmental Operations Manager and the Head of Personnel on the Authority's position, and the Management Board of East Durham Homes in relation to their current and future situation regarding the Modern Apprenticeship Programme. In both cases, management have considered manpower and budgetary positions for this and future years.

3. **Background**

3.1 Members will be aware that over the years the Authority has generally recruited Modern Apprentices on an annual basis, not only to support its own manpower needs in the craft and environmental occupations, but also to realise the Council's contribution to the local community by attempting, as far as possible, to ease the problem of youth unemployment in the District.

3.2 Members will recall that is some four years since the Modern Apprenticeship Programme was reviewed at Easington in order to improve pay conditions for new recruits ie. all Modern Apprentices are paid the appropriate Nationally agreed rate for their given trade, rather than the basic Youth Training allowance previously in place. Whilst this revision quite rightly addressed some outstanding anomalies and fairness issues, there is now an increased financial burden on the Authority, and East Durham Homes, during an Apprentices' first year of training.

3.3 Notwithstanding the changes to the pay arrangements for Apprentices, the majority of training costs continue to be met by the Learning and Skills Council (LSC), via the relevant College-based Managing Agents.

4. **Position Statement and Options Appraisal**

4.1 The Authority and East Durham Homes combined, currently employ 10 Modern Apprentices across the operational disciplines, and all at various stages of their Individual Learning Plans - see Appendix A to this Report. The Personnel Officer continues to act as a link between the Apprentices, their respective Supervisors/Managers and the College tutors throughout the Apprenticeship to ensure satisfactory progression is maintained. Overall, the Programme remains very successful with a number of Apprentices scheduled to complete over the next 12 to 18 months.

4.2 In consulting with the Environmental Operations Manager regarding the Council's position, and likewise with the Management Board of East Durham Homes, it is unfortunate that taking account of all of the relevant circumstances at present and over the coming year for both organisations, it would be prudent to consolidate the existing Programme and not increase the complement of trainees this year.

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- 4.3 Members will recall that within last year's intake of Apprentices, the Environmental Operations Manager allocated trainee positions within each of his operational areas ie. 1 no. Blacksmith, 1 no. Motor Vehicle Fitter, 2 no. Horticultural Operatives. Given these are relatively small Sections, with very low labour turnover, it is considered that the current ratio of apprentice to craftsman is at its optimum level (in terms of capacity to supervise) and it would be impractical to increase the number of trainees this year and still provide meaningful and adequate on-the-job training and supervision. The Council also aims to provide a job for those apprentices who successfully complete their apprenticeship, although this is not always possible.
- 4.4 Likewise, East Durham Homes have not drawn their conclusion lightly, but have reached it in the context of a reducing construction workforce since its inception, financial constraints and also their commitment to try to find permanent positions for those Apprentices currently being invested in and who are due to become qualified tradesmen over the next year or so.
- 4.5 I will, of course, continue to monitor the Authority's position, in conjunction with that of East Durham Homes and in consultation with all of the relevant Officers, and will report back to Members on the potential for an intake in 2006. The Council has historically limited its apprenticeship programme to trade occupations and so it may be an opportune time to consider Modern Apprenticeships for non-trade occupations such as Business Administration for example.
- 4.6 I am aware that this is disappointing news because the Council is justifiably proud of its Modern Apprenticeship Programme, however the reality is it does continue as set out in Appendix A.
- 4.7 On a more positive note, Members should be aware that the East Durham Business Service, supported by the Learning and Skills Council, have worked with local businesses to match young people to some 78 Modern Apprenticeship opportunities with employers within this District. It is encouraging that employers in our District are keen to provide such valuable training opportunities.

5. **Implications**

5.1 **Financial, Legal and Policy Implications**

- 5.1.2 There are no financial, legal or policy implications as a consequence of this report. All costs for the current Modern Apprenticeship Programme are being met from existing budgets.

5.2 **Risks**

- 5.2.1 A risk assessment has been prepared and the actions necessary to manage the risks have been identified.

5.3 **Communications**

- 5.3.1 I will liaise with the Head of Personnel and the Communications and Marketing Manager regarding an appropriate campaign to mitigate any negative 'fallout' as a result of this report, and to give a positive message about the Authority's and East Durham Homes long term commitment to training and employment, and our current successful Modern Apprenticeship Programme

6. **Corporate Implications**

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6.1 There are no corporate implications as a consequence of this report.

7. **Recommendations**

7.1 Members are asked to consider the following proposal:

That the Authority defer its annual intake of Apprentices to allow a year of consolidation and to review the situation early in 2006 in the context of trade and non-trade occupations.

7.2 Members are asked to note the position of East Durham Homes.

Background Papers

Apprentice reports - internal and College
Manpower information/statistics
Budgetary information