



## PORTFOLIO HOLDER DECISION NOTICE

### **INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR PROFESSIONAL SERVICES**

### **TOPIC - FRAMEWORK AGREEMENT - APPRENTICESHIP TRAINING CONTRACTS**

### **PROCEDURAL INFORMATION**

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Head of Legal Services (Interim), the Chief Executive and the Strategic Director: Resources are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

### **Contact Officers:**

**Case Officer:** Jamie Cann, Head of Human Resources (interim)

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**Democratic Services Officer:** Matthew Watson [mwatson@winchester.gov.uk](mailto:mwatson@winchester.gov.uk)

### **SUMMARY**

Approval is sought pursuant to the requirements set out in Council's Contracts Procedure Rules (2.4b) to enter into a framework agreement established by Hampshire County Council for the provision of apprenticeship training contracts.

The Council is committed to extending its apprenticeship programme (Employee Strategy PER304 – entrepreneurial approach, Developing Competence) as a way of building a future workforce that is engaged and motivated, has the right knowledge, skills and behaviours, is cost effective and focussed on delivering the right outcomes for the citizens of Winchester district.

There are no direct resource implications arising from the proposal in this paper.

### **DECISION**

That delegated authority is given to the interim Head of Human Resources in consultation with the Strategic Director (Resources) to enter into a framework agreement established by Hampshire County Council for the provision of apprenticeship training contracts.

### **REASON FOR THE DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

In May 2017, the government announced new funding for apprentices by imposing a levy of 0.5% on any organisation with a wage bill of more than £3million. This money can only be spent on apprenticeship training, and is held in a digital account from which unspent funds begin to expire after two years. The Council's levy is around £5,000 a month and in September 2018 there was £65,000 in its levy account.

Recognising that the public sector lagged behind the private sector in the provision of apprenticeships, the government also set a public sector recruitment target of 2.3% of headcount. For the Council this is a total of 11 per year and can comprise a combination of hiring new apprentices and upskilling existing staff.

With the projected investment in the apprentice scheme equating to 11 new apprentices in a year, the anticipated aggregate spend would exceed the £10,000 threshold meaning that the Council would potentially need to undertake a procurement exercise for each contract for training provision as it was awarded.

A viable alternative would be to enter into a procurement framework. This will be an effective and efficient method for the procurement of training providers. By working in partnership with neighbouring local authorities there is scope to benefit from economies of scale, sharing the administrative burden of maintaining an approved supplier list, an opportunity to develop cohorts of apprentices across the partnering local authorities that will benefit from an improved learning experience, and the chance to influence the development of new apprenticeship standards.

The proposed option is also less onerous for potential training providers who are reporting an almost unmanageable workload in relation to responding to calls for procurement as a result of the apprenticeship reforms brought in by the Government in May 2017.

It is therefore proposed that the City Council enters into a framework agreement established by Hampshire County Council.

Signing up to Hampshire County Council's framework agreement means the City Council will have guaranteed access to a number of high quality training providers covering 95% of the Council's apprenticeship training needs. The framework training providers have all been through a due diligence process (assessed for quality, experience, financial robustness and sustainability); they are all on the government list of approved apprenticeship providers. Price was not evaluated for this

framework as the government has capped training costs for apprenticeships depending on the type of apprenticeship and its level. The evaluation of the framework focused on the level of quality and value for money (as promoted by the Education and Skills Funding Agency) that would be achieved for the levy money for each level. There is no charge for using the framework.

There is no obligation to call off the framework agreement, and should the Council require a training provider for a standard not listed on the framework agreement, it is free to undertake its own procurement exercise for that apprenticeship, depending on the value of the contract.

The Council considered and rejected joining a Dynamic Purchasing System (DPS) such as the one established by Portsmouth City Council. However within a DPS, where bids are made, there is still the necessity of running mini-competitions, resulting in the consumption of significant amounts of staff time. Competition with the private sector however means there is no guarantee that there will be a sufficient number of bids from which to choose a training provider.

The Council considered and rejected doing its own procurement for each apprenticeship; the ad hoc nature of apprentice recruitment and the small volumes involved make this a time-consuming exercise, which was not deemed to be a the efficient and effective use of staff resources.

A list of the training providers is attached in Appendix 1.

**RESOURCE IMPLICATIONS:** There are no direct resource implications resulting from the proposed decision; given the value of spend against existing suppliers, the proposed approach enables the Council to demonstrate transparency and compliance with Contract Procurement Rules.

**DATA PROTECTION IMPACT ASSESSMENT** *(If none, state "None required")*

None required.

**CONSULTATION UNDERTAKEN ON THE DECISION**

Senior Officers at the council have been consulted on this draft decision notice prior to member consultation. All members have been consulted via the Portfolio Holder Decision Notice Process.

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE**

NONE

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED**

NONE

**DISPENSATION GRANTED BY THE STANDARDS COMMITTEE**

N/A

**Approved by: (signature)**

**Date of Decision**

**Councillor Stephen Godfrey – Portfolio Holder for Professional Services**

**APPENDICES:**

List of organisations on the HCC framework agreement

**PHD834**

**Appendix 1**

**Babington Business College Ltd**

**Basingstoke College of Technology**

**Eastleigh College**

**Fareham College**

**Fareport Training Organisation Ltd**

**Portsmouth Business School**

**Portsmouth College**

**Skills Team**

**Qube Qualifications & Development Ltd**

**Southampton Solent University**

**Sparsholt College**

**University of Winchester**