

## Procure a Higher Education Institution Provider for Social Work Apprenticeships

**Forward Plan reference number:** N/A

<b>Report title:</b> Procure a Higher Education Institution Provider for Social Work Apprenticeships	
<b>Report to:</b> Helen Lincoln, Executive Director, Children and Families, and Nick Presmeg, Director, Adult Social care	
<b>Report author:</b> <i>Jan Williams – Team Manager – ESCA Childrens</i>	
<b>Date:</b> 16 <sup>th</sup> January 2020	<b>For:</b> Decision
<b>Enquiries to:</b> <i>Jan Williams, Team Manager ESCA Childrens</i>	
<b>County Divisions affected:</b> All Essex	

### 1. Purpose of Report

- 1.1 To request permission to procure a Higher Education Institution Provider to deliver the Social Work Apprenticeship Degree through the Apprenticeship and Association Training Framework.

### 2. Recommendations

#### 2.1 Helen Lincoln, Executive Director Childrens Social Care and Education,

To agree to use the Apprenticeship and Association Training Framework to call off, via a mini competition, a contract for 3 years (with the option to extend for a further 2 years) to a Higher Education Institution Provider to deliver the Social Work Apprenticeship Degree to Childrens Social Care Staff at Essex County Council.

#### 2.2 Nick Presmeg, Executive Director Adult Social Care

To agree to use the Apprenticeship and Association Training Framework to call off, via a mini-competition, a contract for 3 years (with the option to extend for a further 2 years) to a Higher Education Institution Provider to deliver the Social Work Apprenticeship Degree to Adult Social Care Staff at Essex County

- 2.3 To delegate authority to Director for Local Delivery (Mid) to award the contracts following the completion of the call off process.

### 3. Summary of issue

- 3.1 Given the nationwide shortage of talent in the social care space and increasing costs to hire and train, it is vital that alternative pipelines are identified to meet the growing demand for social workers in the present and the future. With the creation of the Social Worker degree apprenticeship

standard at the end of 2018, the alternative entry point to social work training of the Social Work Apprenticeship was launched.

- 3.2 The apprenticeship levy, introduced in 2017, requires organisations with an annual pay bill of over £3 million, which includes the Council, to pay 0.5% of the total salary cost to HM Revenue and Customs. Generated funds are held in a protected account that can only be accessed through the Digital Apprenticeship Service and be used to fund apprenticeships at the organisation. This funding is then made available to employers, through which they can pay for training for apprentices. If an employer does not spend their entire levy amount on apprenticeships, then the unspent portion at the end of each financial year will be made available to other employers to spend on apprenticeships.
- 3.3 It is a key corporate priority to ensure every effort is made to utilise the apprenticeship levy generated by the Council. Through the Social Work Degree Apprenticeship Standard, an approved programme has been developed which enables candidates to undertake study for the Social Work Apprenticeship Degree. The Degree is run over a 3 year period by a Higher Education Provider and each candidate will be able to undertake their study whilst working employed as an apprentice by the Council. Candidates will be identified through an expressions of interest process followed by an internal selection process across both functions. The initial cost of the Social Work Apprenticeship Degree is £23,000 per candidate over 3 years and the expected commencement date of the course is January 2021. The contract with the appointed Higher Education Provider will contain the option to extend for a further 2 years, should the Council wish to extend the Degree to further cohorts.
- 3.4 Recruitment and retention is a key strategic driver of the overall workforce strategy. The strategy contains priority areas to maximise the opportunities for Essex to 'grow and develop' its workforce of social workers for both Adults and Children. Maximising the gains through the use of the Apprenticeship Levy and procuring a provider to deliver the Social Work Degree apprenticeship standard is a key component of the workforce strategy. By being proactive in procuring a provider for the Social Work Apprenticeship Degree, the Council is able to have a greater influence on what and how social workers are taught, ensuring that the training given is tailored to the Council's requirements whilst also providing development opportunities for staff across both Adult and Children's social care services.
- 3.5 The Council will seek to enlist a cohort of approximately 25 apprentices across both Adults and Children's social care services at a total cost of £575k for the first 3 years and a further £1,150,000 if the contract were extended for two further cohorts. This would be drawn down from the Council's Apprenticeship Levy. The Council will review and evaluate the success of the programme, prior to determining future cohorts and seeking appropriate authority to extend the contract.

3.6 A commissioning framework called the Apprenticeships and Associated Training Framework was established in 2018 by YPO (a procurement service owned by 13 Local Authorities) to enable contracting authorities (including local authorities) access to both regional and National providers of training across a large range of topics and services. The Council will seek to call off from the Framework for a provider to deliver the Social Work Apprenticeship Degree for the selected candidates.

## **4. Options**

### **Option 1 – Procure a Higher Education Institution Provider (recommend)**

4.1 This is the recommended option, as it enables the Council to ensure that it utilises the Apprenticeship Levy which it pays annually to HMRC, and would help ensure that the skill shortage within the Social Care sector is addressed over the next few years.

4.2 The Benefits of implementing are:-

- Greater influence on what and how social workers are taught
- The cost of training is covered by the apprenticeship levy
- Training will be tailored to ECC specifications
- Increased diversity in social work talent pool
- Increased engagement from new social workers
- Development opportunities for existing members of staff

### **Option 2 – Do Nothing**

4.3 This is not the recommended option because it will result in the Council missing an opportunity to work towards filling a gap with the social care sector, which would see the Council develop its own staff to be able to ensure sufficient future resources.

4.4 Implications of not proceeding:

- The social care talent pool continues to remain shallow
- Continued difficulties filling positions
- Increasing recruitment costs

## **5. Next steps**

5.1 Following the conclusion of the procurement exercise, a report will be brought back for consideration and award to the identified provider.

## **6. Issues for consideration**

## **6.1 Financial implications**

Essex County Council is able to use approximately £1.2 million each year to fund apprentice schemes. The funds are topped-up on a monthly basis. If the organisation does not choose to use these funds after 24 months, the levy funds are expired and cannot be used. As of January 2020, the council's level of apprenticeship levy utilisation was 38%. The existing level of spend is significantly lower than full utilisation and funds will continue to expire if the council does not commit the funding for investment in apprenticeship training schemes.

The initial contract award will be used to fund 25 apprentices at a cost of £575,000 over a three-year period. This will cost the council approximately £192,000 per annum. This amount of annual expenditure is worth an estimated 16% of total levy funds available to the organisation. The cost of the course will be recovered through the online digital account held by HMRC. The additional expenditure from the Social Work Degree Apprenticeship is unlikely to result in Essex County Council over-utilising the funds available.

Any associated officer costs incurred as a result of the procurement and mobilisation will be incorporate within the current budgets held by the service areas.

If the contract were to be extended for a further two cohorts, there would be no change to the financial implications, assuming these cohorts were to be run sequentially and not simultaneously. The cost of the two cohorts is estimated to be £1,150,000 in total. A rise in the number of apprentices on the scheme at any point in time will increase the annual cost to the council and increase the pressure on the levy funds available. If this were to occur, the organisation would need to carry out a subsequent evaluation of the future utilisation of the levy to determine whether there is existing capacity to increase expenditure.

In April 2020, the Department to Health and Social Care announced a national recruitment campaign to encourage more people to become social workers. The campaign will highlight the vital role the social care workforce provides and aims to reduce barriers of entry into the sector by introducing zero cost background checks and access to fast-track courses for employers free of charge. This could potentially have an impact on the demand for places on the proposed apprenticeship scheme or put pressure on the levy if the government requests local authorities increase the number of apprentices on the scheme. However, the latest announcements from government do not have a bearing or direct financial impact on the Social Work Graduate Programme.

## **6.2 Legal implications**

6.2.1 Any procurement undertaking must be carried out in accordance with the Council's own procurement policies and procured in accordance with the Public Contracts Regulations 2015. Where frameworks are used to conduct the procurement, additional care must be had to ensure that the frameworks specifications are adhered to during the process

<b>I approve the above recommendations set out above for the reasons set out in the report.</b>	<b>Date</b>
<b>Helen Lincoln, Executive Director, Children and families</b>	<b>08.04.2020</b>
<b>I approve the above recommendations set out above for the reasons set out in the report.</b>	
<b>Nick Presmeg, Director, Adult Social Care</b>	<b>08.04.2020</b>

**In consultation with:**

<b>Role</b>	<b>Date</b>
<b>Executive Director for Finance &amp; Technology (S151 Officer)</b>	<b>30.04.20</b>
<b>Nicole Wood</b>	
<b>Director, Legal and Assurance (Monitoring Officer)</b> <b>Susan Moussa on behalf of</b> <b>Paul Turner</b>	<b>07.04.2020</b>