

11 February 2016

Item 4

TITLE OF REPORT: Consultation on Apprenticeship Targets for Public Sector Bodies

Purpose of the Report

To bring to Schools Forums attention the current consultation on Apprenticeship targets for public sector bodies, and to inform Schools Forum on the Apprenticeship Levy.

Background

The Department for Business Innovation and Skill and the Department for Education launched a joint consultation on Apprenticeship targets for public sector bodies which will run from 25th January to 4th March 2016.

Apprenticeship Levy

The consultation builds on the outcome of a previous consultation on the Apprenticeship Levy by the Department for Business Innovation and Skills that ran from 21st August to 2nd October 2015.

The consultation invited views from employers, business organisations, training organisations and anyone with a vested interest to comment on the Government's proposal to introduce an Apprenticeship Levy.

The outcome of the Apprenticeship Levy consultation is that all employers with more than 250 employees and a wage bill of over £3m per annum will have an apprenticeship levy of 0.5% that will be collected via PAYE from April 2017. The levy will apply to all Gateshead maintained schools as they are part of the Local Authority. The levy will also apply to academy and free schools that meet the criteria either as an individual school or as part of a multi academy trust.

Appendix 1 shows the estimated impact on Gateshead maintained schools.

Larger employers in England will be able to spend the levy to support all of their post-16 apprenticeships on training. Funding will be distributed via a digital voucher mechanism and those employers that are committed to apprenticeship training will be able to get back more funding than the 0.5% levy they have contributed.

The Government also announced that from April 2016 National Insurance contributions for apprentice's under the age of 25 will be abolished.

Apprenticeship Targets for Public Sector Bodies

The Enterprise Bill had its second reading on 2nd February 2016, and contains a provision to amend the Apprenticeships, Skills, Children and Learning Act 2009 so that the Secretary of State can set targets for prescribed public bodies in relation to the number of apprentices working for them in England.

The clause includes a duty on all prescribed public bodies which are set a target to have regard to that target. Public bodies will have a duty to publish information annually on progress towards meeting the target and send this information to the Secretary of State.

It is proposed that the duty applies to public sector bodies and organisations that have 250 or more employees in England at the time the list is compiled to ensure it is practicable for organisations to achieve, whilst also ensuring we are covering the vast majority of public sector employees in England. Smaller public bodies will be encouraged to deliver apprenticeship growth as part of our wider growth strategy.

The current consultation proposes that all public sector bodies should have a target of 2.3% apprenticeship starts each year from April 2017 based on head count. For Gateshead including schools this has been estimated on FTE numbers of 5,343 (including schools) or 123 apprenticeship starts a year, with maintained schools accounting for 42 of these starts. This figure will of course be higher if based on head count as the consultation suggests rather than FTE.

A copy of the consultation is available via the below link, and a copy of the consultation questions are shown in appendix 2.

<https://www.gov.uk/government/consultations/public-sector-apprenticeship-targets>

Proposal

That Schools Forum notes the introduction of the new apprenticeship levy from April 2017 of 0.5% of an employer's pay bill for organisations with over 250 employees and a wage bill of over £3m, and that the Government is also currently consulting on the proportion of new apprentice starts each public sector body should have each year based on headcount information.

Recommendations

The Schools Forum notes the introduction of the apprenticeship levy from April 2015 and that there is a live consultation on apprenticeship starts for public sector bodies.

For the following reasons:-

To inform Schools Forum of the apprenticeship levy and the impact on maintained schools, and to bring to Schools Forum attention the current consultation on proposed number of apprenticeship starts.

CONTACT: Carole Smith

Appendix 1

Cost Centre(T)	Pay Bill	Levy
Bensham Grove Nursery School Total	£207,478.73	£1,037.39
Pupil Referral Unit Total	£982,679.48	£4,913.40
Carr Hill Primary Total	£1,055,753.28	£5,278.77
Kelvin Grove School Total	£907,539.64	£4,537.70
South Street School Total	£916,965.76	£4,584.83
Bede Primary Total	£695,611.36	£3,478.06
Oakfield Junior School Total	£524,734.01	£2,623.67
Larkspur School Total	£530,962.96	£2,654.81
Oakfield Infant School Total	£461,372.63	£2,306.86
Ravensworth Terrace Primary Total	£609,461.59	£3,047.31
Portobello Primary Total	£489,426.60	£2,447.13
Birtley East Primary Total	£623,427.31	£3,117.14
Dunston Hill School Total	£1,057,085.80	£5,285.43
Emmaville Primary Total	£692,489.36	£3,462.45
High Spen Primary Total	£506,430.18	£2,532.15
Swalwell Primary Total	£629,817.64	£3,149.09
Winlaton West Lane Primary Total	£1,021,183.94	£5,105.92
Greenside Primary Total	£531,107.38	£2,655.54
Blaydon West Primary Total	£392,300.33	£1,961.50
Front Street School Total	£986,927.38	£4,934.64
Highfield Com Primary School Total	£405,199.07	£2,026.00
Ryton Community Infant School Total	£474,836.45	£2,374.18
Ryton Community Junior School Total	£481,875.91	£2,409.38
Washingwell Primary Total	£525,292.04	£2,626.46
Bill Quay Primary Total	£635,775.36	£3,178.88
Falla Park School Total	£716,310.35	£3,581.55
Brandling Primary Total	£518,182.43	£2,590.91
Lingey House Primary Total	£991,441.84	£4,957.21
The Drive School Total	£613,539.95	£3,067.70
White Mere School Total	£361,598.14	£1,807.99
Clover Hill School Total	£490,922.09	£2,454.61
Crookhill School Total	£479,591.81	£2,397.96
Brighton Avenue Primary Total	£871,389.42	£4,356.95
Lobley Hill Primary Total	£1,081,534.75	£5,407.67
Wardley Primary Total	£740,913.91	£3,704.57
Glynwood School Total	£793,221.02	£3,966.11
Barley Mow Primary Total	£638,947.63	£3,194.74
Windy Nook Primary Total	£812,483.44	£4,062.42
Colegate School Total	£746,740.84	£3,733.70

Roman Road Primary Total	£537,686.21	£2,688.43
Fellside School Total	£543,715.20	£2,718.58
Fell Dyke School Total	£906,035.50	£4,530.18
Caedmon Primary Total	£673,498.33	£3,367.49
Kells Lane Primary Total	£880,469.42	£4,402.35
Chopwell Primary Total	£670,910.24	£3,354.55
Parkhead School Total	£937,125.73	£4,685.63
St Aidans Primary Total	£622,832.57	£3,114.16
Harlow Green Primary School Total	£890,335.25	£4,451.68
Rowlands Gill Primary School Total	£860,508.90	£4,302.54
Whickham Parochial Total	£456,091.64	£2,280.46
Corpus Christi RCP Total	£536,102.26	£2,680.51
St Josephs RCP Gateshead Total	£595,300.94	£2,976.50
St Oswalds RCP Total	£613,030.28	£3,065.15
St Peters RCP Total	£506,230.54	£2,531.15
St Annes RCP Total	£361,373.71	£1,806.87
St Josephs Catholic Jnr Birtley Total	£296,188.04	£1,480.94
St Josephs Catholic Inf Birtley Total	£221,049.71	£1,105.25
St Agnes RCP Total	£466,946.38	£2,334.73
St Josephs RCP Highfield Total	£326,016.50	£1,630.08
St Mary and StThomas RCP Total	£571,738.64	£2,858.69
St Philip Neri RCP Total	£380,537.20	£1,902.69
St Josephs RCP Blaydon Total	£511,217.87	£2,556.09
St Marys RCP Total	£439,892.24	£2,199.46
St Albans RCP Total	£593,322.53	£2,966.61
St Augustines RCP Total	£863,672.80	£4,318.36
St. Wilfrids RCP Total	£378,123.28	£1,890.62
Heworth Grange School Total	£3,673,989.18	£18,369.95
Kingsmeadow School Total	£2,033,528.58	£10,167.64
Furrowfield School Total	£1,238,348.17	£6,191.74
Gibside School Total	£1,615,428.55	£8,077.14
Hill Top School Total	£1,240,515.24	£6,202.58
Dryden School Total	£760,293.26	£3,801.47
Eslington School Total	£739,598.22	£3,697.99
Grand Total	£53,144,204.89	£265,721.02

Appendix 2

Question 1 (paragraph 62)

Do you agree that the organisations listed at Annex 2 and public corporations (at least with headcount of 250 or more in England) should be in scope?

Yes No Not sure

If No, which organisations are these (please list) and state why:

Question 2 (paragraph 62)

Should any organisations listed at Annex 2 (plus public corporations with 250 or more headcount in England) be omitted?

Yes No Not sure

If Yes, which organisations are these (please list) and state why:

Question 3 (paragraph 62)

Should any organisations that are not listed in Annex 2 be included? The full list of organisations under consideration can be found at www.ons.gov.uk/ons/rel/na-classification/national-accounts-sector-classification/index.html (or Annex 2).

Yes No Not sure

If Yes, which organisations are these (please list):

Question 4 (paragraph 62)

Should certain bodies be grouped together for the purposes of the target?

Yes No Not sure

If Yes, which are these (please list) and state why:

Question 5 (Paragraph 62)

Do you have any other comments on the list of organisations?

Question 6 (Paragraph 69)

Do you agree that headcount is the correct basis for the target?

Yes No Not sure

If No, please give reasons why not:

Question 7 (Paragraph 74)

Do you think there is any further information that should be provided?

Yes No Not sure

If Yes, what should this information be?

Question 8 (Paragraph 79)

Do you agree that the target periods set out at paragraph 78 are correct?

Yes No Not sure

If No, please give reasons why not:

Question 9 (Paragraph 79)

Do you have any other comments about the contents of this consultation document?

Yes No Not sure

If Yes, please state what:

Do you have any other comments that might aid the consultation process as a whole?

Please use this space for any general comments that you may have, comments on the layout of this consultation would also be welcomed.

Thank you for taking the time to let us have your views. We do not intend to acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply