

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
3 December 2013

Subject: BUSINESS APPRENTICESHIP FUNDING

Northallerton Wards

Portfolio Holder for Support Services & Economic Development: Councillor Peter Wilkinson

1.0 PURPOSE:

- 1.1 The purpose of this report is to seek Cabinet approval to extend the 'Changing Lives Building Business Scheme', by committing a further £100,000 through the One Off Fund.
- 1.2 The scheme will provide a £2,000 grant targeted at supporting small businesses, particularly those with less than 10 employees, to provide placements for apprentices.

2.0 BACKGROUND:

- 2.1 In June 2012, Cabinet agreed to provide £100,000 through the One Off Fund to develop and deliver a scheme to encourage young people into work through apprenticeships in the Council and in the private sector. The scheme was launched in September 2012 in partnership with the National Apprenticeship Service and Job Centre Plus. By mid-October 2012, 25 businesses had registered an interest in appointing an apprentice.
- 2.2 In September 2013 an evaluation of the first year was undertaken. In this time, 5 apprentices had been appointed in the Council, taking the total number of Council apprentices to 15. In addition, 12 businesses had also appointed an apprentice. The Scheme has not seen any apprentices drop out from their placements.
- 2.3 In the private sector, the project has seen 6 young people obtain permanent jobs and 4 others have formal qualifications and commitments to further training to improve their employment prospects. Other economic benefits include business growth through businesses planning to employ more staff, businesses moving to better premises and increasing sales.
- 2.4 The feedback has been very positive from the supported businesses with many saying they wouldn't have taken on the risk of an apprentice without the financial support from the Council.
- 2.5 The £100,000 will be directed at small businesses to extend the scheme for the next 2 to 3 years.

3.0 LINK TO COUNCIL PRIORITIES:

- 3.1 One of the Council's key priorities is to support local economic growth. By getting young people into employment and training and supporting businesses to do this, the Council will be directly supporting economic growth within the Hambleton District.

4.0 RISK ASSESSMENT:

4.1 There are no significant risks associated with approving the recommendation.

5.0 FINANCIAL IMPLICATIONS:

5.1 The overall the revenue effects of the scheme are as follows:-

Revenue Effects	2012/13 £	2014/15 £	2015/16 £	2016/17 £
Funding the Apprenticeship Scheme	<u>£0</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Financed by:				
One-off Fund	<u>£0</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
	<u>£0</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>

5.2 Balance on the One Off Fund: £882,213
Required Funding: £100,000
Balance C/Fwd: £782,213

6.0 LEGAL IMPLICATIONS:

6.1 There are no legal implications from this report.

7.0 EQUALITY/DIVERSITY ISSUES

7.1 The scheme will have a positive impact on young people by supporting them into employment.

8.0 RECOMMENDATION:

8.1 It is recommended that Cabinet agree to £100,000 from the One Off Fund to extend the apprenticeship scheme for small businesses.

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Background papers: Previous Cabinet Report June 2012
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