

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
3 July 2018

Subject: REVIEW OF HAMBLETON DISTRICT COUNCIL GRADUATE SCHEME

All Wards
Portfolio Holder for Economic Development and Finance: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

- 1.1 To approve investment into the Apprentice and Graduate Schemes from the revenue budget into the scheme from 2019/20 onwards.
- 1.2 The Apprenticeship Scheme was initially established in 2012 as a key activity in the delivery of the Council's high level priority of supporting local economic growth. There is evidence that getting young people into work, not only makes a huge difference to the lives of those young people, but is also a positive way of stimulating the local economy. It offers a one off grant of £2,000 to any Hambleton business who offers a new apprentice position to a young person between the ages of 16-24.
- 1.3 The Graduate scheme was launched in January 2015 to run for an initial period of 2 years - 2015/16 and 2016/17 with an allocation of £100k from the Economic Development Fund. Initially, the Council operated the scheme in conjunction with Teesside University (TU), until September 2015 when TU went through a restructure and did not have the funding to continue with the scheme and their team was disbanded. HDC took over responsibility for completing pre-checks such as health and safety on site assessments and have managed and administered the scheme since this time.
- 1.4 One of the priorities in the Council Plan is 'Driving Economic Vitality' with performance indicators of facilitating 25 young people to work in small businesses through apprenticeships and facilitate 7 graduates into businesses for 2018/19.
- 1.5 From 2016/17 the Economic Development Fund (EDF) allocated £50,000 per annum to fund 25 business apprentices per year and funded £105,000 over two years to support 28 graduates. Please see Annex A for the breakdown in funding.
- 1.6 Scrutiny Committee undertook a review of the Council's Graduate and Apprentice schemes between July 2017 and February 2018 which looked at the success, effectiveness and value for money to the Council.

The recommendations were as follows:-

- it be noted that the current arrangements for the Apprentice and Graduates Schemes are effective, fit for purpose and good value for money;
 - officers investigate the possibility of providing an online application form for the Apprentice and Graduates Schemes;
 - consideration be given to identifying whether there is any additional funding available to invest into the schemes for future years; and
 - the Committee supports the continuation of the Apprentices and Graduates Schemes.
- 1.7 The apprenticeship scheme receives far more applications than places available which means the Council can easily fill the allocation of 25 places a year, supporting 25 small businesses. The Business & Economy team can presently support this number of applications and any more would increase the resource required to support the process.

1.8 The graduate scheme receives less applications and the average spend required is £4,000 for a grant. It is proposed that 5 places should be allocated a year, this is based on knowledge gained through the Council's Funding Officer who is presently working with a number of small businesses that are looking for growth in their business and who will benefit from employing a graduate.

2.0 LINK TO COUNCIL PRIORITIES:

2.1 Continued delivery of the Apprentice and Graduate Scheme will support the Councils priority of driving economic vitality. More specifically it will support businesses to grow, help maximise private sector investment, increase opportunities for young people and strengthen links with higher educational establishments.

3.0 RISK ASSESSMENT:

3.1 There are no significant risks associated with approving the recommendations.

4.0 FINANCIAL IMPLICATIONS:

4.1 The costs associated with delivering 25 places for the apprenticeship scheme and 5 graduates are £70,000. It is proposed that the scheme is funded through the Revenue budget from 2019/2020.

5.0 LEGAL IMPLICATIONS:

5.1 There are no legal implications associated with the recommendation.

6.0 EQUALITY/DIVERSITY ISSUES

6.1 Equality and Diversity Issues are incorporated into the existing criteria and due diligence checks undertaken for the scheme to ensure equal opportunities.

7.0 HEALTH AND SAFETY ISSUES

7.1 Health and Safety issues are incorporated into the existing criteria and due diligence checks undertaken for the scheme as part of the risk assessment in the employer visit.

8.0 RECOMMENDATION(S):

8.1 That Cabinet approves and recommends to Council that:

- (1) the allocation of £50,000 for the Apprenticeship Scheme and £20,000 for the Graduate Scheme for 2019/20 and 2020/21 which will be an increase in the revenue budget by £70,000 a year be approved; and
- (2) both schemes be reviewed every two years to consider the ongoing need for both the schemes.

HELEN KEMP

Background papers: None
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Apprentice Scheme

The scheme was established in April 2012 and offers a one off grant of £2,000 to any Hambleton business who offers a new apprentice position to a young person between the ages of 16-24. The first three years 2012/13, 2013/14, & 2014/15 were funded through the provision of a sum of £150,000 from the One Off Fund. The allocation in 2015/16 was monitored through the Economic Development Fund process but was funded from the One Off Fund.

From 2016/17 the Economic Development Fund (EDF) allocated £50,000 to fund 25 business apprentices per year.

The Apprentice Scheme has been funded as below:-

Breakdown of funding

Year	Fund	Allocated	Actual	Number of Places
2012-2014	One Off fund	£100,000	£84,220	5 HDC Places 33 business places
2014/15	One Off fund	£50,000	£61,300	25
2015/16	One Off fund	£70,000	£70,000	25
2016/17	EDF	£50,000	£50,000	25
2017/18	EDF	£50,000	£50,000	25 (in operation)
2018/19	EDF	£50,000		25

Graduate Scheme

The scheme was launched in January 2015 to run for an initial period of 2 years - 2015/16 and 2016/17 with an allocation of £100,000 from the Economic Development Fund. Initially, the Council operated the scheme in conjunction with Teesside University (TU), until September 2015 when TU went through a restructure and did not have funding to continue with the scheme and their team was disbanded. HDC took over responsibility for completing pre-checks such as health and safety on site assessments and have managed and administered the scheme since this time. The scheme funded a wage subsidy and/or an equipment grant. In 2018/19 the scheme was updated to just support a wage subsidy of £4,000 per graduate. Our research has shown that the wage subsidy is more valuable as it can assist a business to elevate the salary level to encourage more graduates to apply for the roles.

The Graduate Scheme has been funded as below:-

Breakdown of funding

Year	Fund	Allocated	Actual	Number of Places
2015/16	EDF	£100,000	£105,349	28 graduates successfully appointed across 21 businesses
2016/17	EDF			
2017/18	EDF	£28,000	0	Moved to 18/19 as approved late in 2017 – Plan to support 7 Graduates
2018/19	EDF	£28,000		