



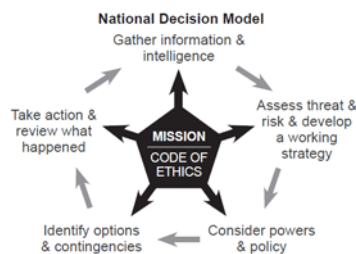
PART ONE

Item 10

**Impact of Apprenticeship Levy**

<b>Required for:</b>	Joint Audit Committee, 18 January 2018
<b>Security Classification:</b>	<b>Official</b>
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<b>Title:</b>	Impact of Apprenticeship Levy
<b>Version:</b>	v1
<b>Purpose:</b>	Update from July 2017 on the impact of the Apprenticeship Levy
<b>ACPO / Strategic Lead:</b>	ACO Harwood
<b>National Decision Model compliance:</b>	
<b>Date created:</b>	December 2017
<b>Date to be reviewed:</b>	N/A

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**What are the Policing Principles?**

- Accountability  Fairness  Honesty
- Integrity  Leadership  Objectivity
- Openness  Respect  Selflessness

## **1. Background**

- 1.1.** With effect from April 2017 Surrey Police has been subject to a Government levy relating to apprenticeships; this is mandated for all employers with an annual payroll bill of £3 million or more.
- 1.2.** Monthly contributions are deducted from the force and held in an online Government-owned account and can only be used to pay for apprenticeship training.
- 1.3.** Monthly deductions have an expiry period of 24 months; after which the money will be removed from the online account and can no longer be used.
- 1.4.** To date Surrey Police has accrued £426,231.00 of Levy deductions.
- 1.5.** A strategic framework for Surrey Police developed in January 2017 clearly set out some priority areas for apprenticeship development, adoption and implementation as follows:
  - 1.5.1.** PC
  - 1.5.2.** PCSO
  - 1.5.3.** Contact Handler

## **2. Content**

- 2.1.** To a large extent the force was relying on progression with the Police Constable Degree Apprenticeship (PCDA) and had a level of confidence about the Levy spend that could be attributed against this with the workforce plans in place at the last time of reporting (July 2017).
- 2.2.** The introduction of the PCDA is now realistically likely to be ready for implementation from early 2019 as opposed to autumn 2018 – largely due to delays building a national procurement framework and the consequences of being able to commence the integrated programme build required between forces and Higher Education Institutes (HEIs).
- 2.3.** The ability of the force to spend money from the Levy account against the PCDA will therefore likely be limited to activity within the last quarter of 2018/19, albeit this will be dependent on workforce plan requirements.
  - 2.3.1.** The current budget outlook for the remainder of 2018 and early 2019 along with reviewed workforce plans suggest that zero or very limited Police Officer intakes may be required before January 2019.
- 2.4.** With this in mind the force is using the already-established PEQF Board and regional working group to explore plans for the adoption & implementation of the PCSO apprenticeship.
  - 2.4.1.** The PCSO apprenticeship provides opportunity for earlier spend against the Levy pot; the majority of which will come back in to force due to significant internal training delivery opportunities.
  - 2.4.2.** Current workforce plans indicate that PCSO intakes are likely to continue throughout 2018/19 so this represents a viable option for making progress against the Levy pot.
  - 2.4.3.** The early introduction of the PCSO apprenticeship is expected to have some benefits in terms of testing out internal processes, culture and support required, ahead of the PCDA being introduced.
- 2.5.** The national apprenticeship standard for Contact Handlers is now in final stages of development albeit local plans have not progressed yet in this area.
- 2.6.** Appendix A provides some indicative modelling of the likely costs associated with each of the main apprenticeships and what impact that will have on monetary spend from the force's Levy account.

**2.6.1.** The Levy account funds can be spent on external training providers and can also be 'paid back' to force where training is delivered internally and the force has registered as a training provider.

**2.6.2.** The apprenticeship costs shown in the modelling are only those which can be directly paid for via the Levy account funds. Full costing models are in development for each of the main apprenticeships as programmes of work become clearer and full levels of impact are better understood.

### **3. Conclusion[s]**

**3.1.** The force should plan for minimal apprentice starts through the PCDA due to implementation delays and probationer intake reductions.

**3.2.** Unless PCSO and/or Contact Handler apprenticeships can be introduced within 2018/19 the force should expect that spend of the Levy account money which is due for expiry from March 2019 will be minimal and therefore may be written-off in significant proportion.

**3.3.** The PCDA has been welcomed as a more accessible route to the role of a police officer and therefore is expected to be able to attract a higher level of representation from minority community groups as well as from those who may not have considered policing or where it was not a viable career-change option due to cost.

**3.3.1.** The reduced number of intakes and specifically the limited opportunity to introduce the PCDA in 2018 will mean progress against representation targets will be hindered.

**3.3.2.** The subsequent lack of opportunity for upwards-movement for PCs will equally impact on supervisory representation rates, particularly relevant in light of the force's aspirations through the HeForShe initiative.

**3.3.3.** Conversely this also presents an opportunity for the force to put a renewed focus and commitment to recruiting from the transferee market in order to bring in skills, experience, and diversity where it is not possible to grow this from within in the immediate-term.

### **4. Decision[s] Required**

**4.1.** Members are invited to endorse the following recommendation[s]

**4.1.1.** The force continues with developing plans to bring in maximum PCSOs through the apprenticeship route in order to mitigate the under-utilisation of Levy money and to off-set the delayed implementation of the PCDA.

**4.1.2.** The force commits to a review of how apprenticeships fit with workforce plans in Contact with a view to implementing a programme that supports the force's overall aims to embed apprentices in the business and to maximise other opportunities to spend Levy money.

### **5. Attachments**

**5.1.** Appendix A: Apprenticeship Cost-Modelling

**Official  
Appendix A**

**Table 1:** Presents some indicator costings for the three apprenticeships in focus

Apprenticeship	Length of apprenticeship (months)	Total apprenticeship cost**	End Point Assessment Cost (Levy)**	Spend from Levy account to training provider**	Spend from Levy account back to force**	Total monthly Levy spend**	Monthly proportion of total Levy spend returned to force**	Monthly Instalments
Police Constable	36	£21,000	£4,200	£12,600	£8,400	£583	£233	36
PCSO	12	£6,000	£1,200	£1,200	£4,800	£500	£400	12
Contact Handler - Emergency Services & NHS Integrated Urgent Care	12	£5,000	£1,000	£1,000	£4,000	£417	£333	12

**Table 2:** Presents an example of how many of each apprentice-type would be required in order to off-set monthly Levy contributions e.g. in March 2019 if no apprentices have started, these numbers are indicative of the apprentice starts needed within that month to ensure that for the next 12 months the force off-sets each monthly amount that is due for expiry.

	Number of Apprentices	Monthly spend from Levy account**	Monthly proportion of total Levy spend returned to force**	12 month total spend from Levy account
PC	60	£35,000	£14,000	£420,000
PCSO	24	£12,000	£9,600	£144,000
Contact Handler	24	£10,000	£8,000	£120,000
		<b>57000</b>	<b>£31,600</b>	<b>£684,000</b>

\*\*based on current assumptions