



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

SKILLS COMMITTEE	AGENDA ITEM No: 2.5
11 NOVEMBER 2019	PUBLIC REPORT

APPRENTICESHIP LEVY POOLING SERVICE UPDATE PAPER

1.0 PURPOSE

- 1.1 To give an update to the Skills Committee of the launch of the new Combined Authority Apprenticeship Levy Pooling Service.
- 1.2 To give the Skills Committee an overview of the potential of the Levy Pooling Service and Mayor's Levy Pledge.

DECISION REQUIRED	
Chair of the Committee:	Councillor John Holdich
Lead Officer:	John T Hill, Director of Business and Skills and Fiona McGonigle Business & Skills Manager
Forward Plan Ref: N/A	Key Decision: No
The Skills Committee is recommended to: (a) Note the launch of the CPCA Apprenticeship Levy Pooling Service. (b) Note the Mayors Levy Pledge to support Levy transfer.	Voting arrangements: Simple majority of all Members

2.0 BACKGROUND TO THE MOBILISATION OF THE APPRENTICESHIP LEVY POOLING SERVICE

- 2.1 This paper is to give an update and overview to the Skills Committee on the formation of a new Cambridgeshire & Peterborough Combined Authority Apprenticeship Levy Pooling Service.

Background

- 2.3 The Combined Authority's Apprenticeship Levy Pooling Service is ready to be launched in November 2019. The Levy Pooling Service will consist of a Levy Pledge signed by the Mayor, which is a joint letter from the Education Skills Funding Agency (ESFA) and the Combined Authority as a letter of indemnity and assurance to Levy Employers.
- 2.4 The letter is a pledge for Levy Employers to commit to sharing up to 25% of their unspent levy, known as Levy Transfer. This will support those SME's and micro businesses who would not otherwise have had the funding to recruit Apprentices and support Providers who are low on non-apprenticeship levy funding.
- 2.5 A joint partnership between the Department for Education (DfE) and the Combined Authority to support the key priorities of the Opportunity Area of Fenland and East Cambridgeshire to increase the amount of young people progressing onto Apprenticeships, mentoring, careers advice and work placements has been agreed as per a Memorandum of Understanding (MoU).
- 2.6 An MoU agreement of £110k to support this work and associated activities has been agreed by the Opportunity Area Partnership Board. This will cover the appointments of the Levy Advisors and all associated costs.
- 2.7 A European Social Fund (ESF) bid has been submitted for the STAR Hub on the 20th August, to mobilise a new Skills Service consisting of Brokerage and Skills support as part of the new Growth Service.
- 2.8 Funding may not be secured until Spring 2020, thus working with DfE to start in November will enable the CPCA to bring some of this work forward as a pilot area.

3.0 Apprenticeship Levy Advisors

- 3.1 Funding from the Opportunity Area via the MoU referred to in 2.6 has made available funding for 2 Levy Advisor posts to mobilise the Levy Pooling Service and support Levy employers to utilise their levy more effectively. One Levy Advisor has been appointed and will start on 4th November 2019. The other post is still to be advertised.

- 3.2 Meetings are planned with Cambridge University and Cambridge University Press with the newly appointed Apprenticeship Manager to agree a process to share the levy as part of the CPCA Levy Pooling Service.
- 3.3 Meetings scheduled with Addenbrookes Hospital (CUH), Health Education England and the Sustainability and Transformation Partnership to join up the NHS process to support Levy Sharing.

4.0 Apprenticeship Levy Employers

- 4.1 Through discussions with Levy Employers to promote the Levy Pooling Service; early conversations from large Levy Employers are; Addenbrookes Hospital (CUH), Cambridge University, Health Education England, ARM, Encocam, Perkins Caterpillar, and Metal Craft.
- 4.2 Further discussions with Fenland District Council and Cambridgeshire County Council to support them in utilising their levy. Two Business Events in Fenland and East Cambridgeshire will be planned for November/December to launch the Levy Pooling Service and announce the Levy Advisors. One Levy Advisor has now been appointed and will start 4th November.
- 4.3 Commitment of Levy from the Department for Education (DfE), for a pot of £250k has been confirmed to support take-up for Apprenticeships in Fenland and East Cambridgeshire as part of the Opportunity Area priorities. Potential for more levy funds from DfE as demand grows is also available.

5.0 WORKING WITH SKILLS BROKERAGE TEAMS, PROVIDERS AND NETWORK ORGANISATIONS

- 5.1 The Skills Service and Form the Future will support the connectivity to SME's, Levy Employers and prospective Apprentices to promote and connect to the Levy Pooling Service
- 5.2 The Levy Advisors will work closely with the Training Providers to identify any SME's interested in Levy Share and will connect the Training Providers to the Skills Brokerage teams with any prospective students interested in an Apprenticeship.
- 5.3 Promotion through the Chamber, FSB, IoD, Opportunity Peterborough, Cambridge Ahead and other organisations.

6.0 ONLINE WEBPAGE/ PORTAL LEVY PLEDGE

- 6.1 Once launched there will be an online portal for employers to log onto to commit to sharing their levy through the Mayor's Levy Pledge. SME's will have the opportunity to log their interest in becoming a receiver of the Levy Transfer as part of the Levy Pooling.
- 6.2 The online Webpage/ Portal will give Levy employers the opportunity to decide if they would like to share their levy across the Combined Authority area, or if they wanted to only share in a particular geography. This will also apply to sectors, if the levy employer only wants to share with a particular sector/s or any sector.
- 6.3 The online Webpage/ Portal is to be agreed. The Manufacturing Institute has created a webpage to support levy transfer. The CPCA have been given the opportunity to use the webpage but at a fraction of the cost to test it. It can be designed and promoted as the CPCA's. The GMCA have commissioned and paid for the work via The Manufacturing Institute.

7.0 FINANCIAL IMPLICATIONS

- 7.1 This project is not currently reflected in the 19/20 budget, as the MOU was signed October 2019. All costs incurred by this project will be covered by the funding provided from the MOU. This means there will be a zero effect on the current and future budgets.

8.0 LEGAL IMPLICATIONS

- 8.1 There are no direct legal implications.

9.0 APPENDICES

- 9.1 Appendix 1 - The Mayor's Levy Pledge letter.

<u>Source Documents</u>	<u>Location</u>
None	