

Business Case Template including Funding Application



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Version number: 00004



Project code:	Project title:	
	Talent Hub (Apprenticeships Delivery)	
Directorate:	Lead Contact:	Senior Responsible Officer:
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Corporate Theme:	Finance Business Partner:	Board/Governance Lead:
Workforce Development	Julie Oldale	Barbara Nicholls,

Projected Additional Income & Costs Yearly Incremental Revenue Savings + Additional Income						
Year	19/20	20/21	21/22	22/23	23/24	Total 5 year
Income						
Savings						
Costs						
5-year Return On Investment (ROI): (Income + savings) – costs = ROI						
Year	19/20	20/21	21/22	22/23	23/24	Total 5 year
ROI						

1. Project overview	
<p>What is the reason for the project?</p>	<p>Havering makes a significant investment in the Apprenticeship Levy and this money can only be used for training and assessing apprentices. This is a long-term investment which will improve the quality of training opportunities and the skills of all of our people. Currently the return on investment is poor and since July 2019 of the council has lost c.£50k per month in unspent levy contribution.</p> <p>The Council has set clear strategic aims and objectives for delivering on apprenticeships and maximising return on the investment in the levy.</p> <p>Our Strategic Aims</p> <ul style="list-style-type: none"> ➤ To build a skilled and committed workforce now and for the future and maximise workforce capability ➤ To improve diversity and inclusion, employability and career opportunities ➤ To increase the number of apprentices and apprenticeships both within our own workforce and across our Borough

The key objectives of Our Apprenticeships Framework

To embed apprenticeships across our workforce. We will create apprenticeships that provide a modern employment offer and viable route into and through the Council. This includes considering apprenticeships as part of our People Strategy, workforce planning, succession management, talent development, and career pathways.

To offer existing staff opportunities for career development, to refresh or gain new skills or retrain. We will increase opportunities for personal and professional development through high quality transferrable training so that our existing employees embrace apprenticeships as part of their learning, development, and career. In common with many employers, we have more progress to make in changing the traditional view of apprenticeships, to ensure that equality of opportunity is achieved. Apprenticeships are not limited in terms of age or length of service and although it is a requirement that they are linked to national standards and recognised qualifications they do have to be labelled “apprenticeship” to attract levy funding.

To develop skills and enhance the capability of the workforce. We will use apprenticeships to develop strong professional capabilities so that we develop a highly capable, skilled and engaged workforce with effective leaders. This includes developing profession-oriented apprenticeships, at a variety of levels (including higher and degree level) and in areas where there are identified skill gaps (e.g. commercial, digital, planning, social work etc).

To enhance diversity and inclusion and social mobility. We will ensure that apprenticeships are a key component of an inclusive Council so that our workforce better reflects the community we serve. This includes promoting apprenticeships within the local area, to those from underrepresented groups and low socio-economic backgrounds and improving recruitment processes accordingly, to emphasise the importance of potential rather than the finished product.

To ensure quality experiences. We will make sure apprentices receive high quality training so that they feel valued and engaged with the Council and our community. This includes working with reputable training providers, complying with apprenticeship standards and securing senior and line management engagement to ensure accountability for the quality of the apprenticeship schemes.

To deliver a return on investment on the apprenticeships levy. We will work collaboratively across the Council and wider local government so that apprenticeships fit clearly within workforce planning to maximise our potential for delivering apprenticeships within the resources available.

Routes to Apprenticeships

There are 5 main ways to develop and embed apprenticeships across the council:

1. Converting planned external recruitment – helping recruiting managers identify whether roles can be offered as apprenticeships. This includes re-educating managers about the potential that people at risk of redundancy can bring to a service, especially with appropriate training and support i.e. they already are organisational savvy or inducted.
2. Developing new apprenticeships frameworks -currently most occupational areas are covered by an apprenticeships framework but we can work with providers to establish new standards and frameworks.
3. Offering our current workforce opportunities to retrain and up-skill, gain additional qualifications and so enhance their career opportunities and the councils skills base.
4. Creating training posts in the establishment structure to ensure a consistent talent pipeline with trainees in their second/third year supporting those just starting so

	<p>creating a supportive system for development</p> <p>5. Ensuring a Yearly Apprenticeships Cohort.</p>
What specific problems is the project solving?	The Head of Learning and Organisational Development is responsible for apprenticeships at Havering, alongside all other aspects of learning and organisational development. This post is supported by an SO3 and an SO2 – but, importantly, these roles are not dedicated exclusively to Havering: they are resources which are also deployed to Newham Council as part of the oneSource partnership. Given the scale of work required to deliver increased numbers of apprenticeships and apprentices across the councils this resource is insufficient and cannot deliver the required progress on apprenticeships or realise a return on contribution to the levy.
What is included and excluded from scope?	The business case is focussed on securing appropriate resources through investment in a small team to develop and manage the development of apprentices and apprenticeships. This will ensure the Council maximises its development offer to staff, residents and partners funded by a return on our levy contribution
What are the main examples of areas marked for process change?	Currently the recruitment and development of apprenticeships is largely ad hoc, although Havering are running a corporate cohort this year. There is no centralised approach to attracting, retaining or developing new or existing staff using the levy; nor is there a central procurement process.
What investment is required?	<p>A total of £116k, which will be invested as follows:</p> <ul style="list-style-type: none"> • Talent Manager x 1: £65k including on-costs • Talent Officer x 0.5: £21k including on-costs • Apprentice x 1: £20k including on-costs • Resources, eg communication and media: £10k <p>NB: These costs assume that Havering is the sole investor in the creation of a Talent Hub. If Newham choose to co-invest, then some of the above costs can be shared.</p>
What options have been considered?	<p>Do nothing (continue to lose levy funding –c.50k per month)</p> <p>Develop a bi-borough approach with Newham: this option is actively being explored and, if agreed, would reduce the investment cost to Havering.</p> <p>Develop a tri-borough approach with Bexley: this is not an option for Bexley at this time.</p>
What financial and non-financial benefits will the project deliver?	<p>The council will benefit from additional development for existing staff, enhanced skill sets and improved competency and capacity across the workforce.</p> <p>Improved age profile and ability to attract and retain talent now and for the future</p> <p>Reduced spending on redundancy and recruitment.</p> <p>Increased return on levy contribution.</p> <p>Improved employer reputation.</p> <p>Improved employability across the Boroughs and better career prospects for staff.</p>
What are the key business impacts both positive and negative?	<p>Apprenticeships can help develop key skills, respond to change and new business demands. They can enable recruiting for hard to fill posts, address skills gaps and the aging workforce within the Council.</p> <p>In the short-term managers will have to allow staff time “off the job” which does not mean “out of the business” to undertake project work or gain experience and skills in a different area of the council. This brings some resourcing queries that will need resolving on a case-by-case basis. The value to the business, retention, development, career pathways and service skills gaps need to be understood clearly to value the benefit of a perceived loss of a day’s work. In conjunction with this approach the service should be working with the apprentice and the training provider to ensure project work is useful to the service wherever possible and therefore mitigates the off the job commitment. There can be a challenge for managers in recognising the value of appointing a person who is “nearly ready” rather than someone who can “hit the ground running” but the longer- term benefits gained from committed staff are clear.</p>

2. Delivering the Project

How will the project be delivered?	The project would be Amber, others have done this successfully, both in the public and private sectors, which creates confidence that our ambitions can be achieved, although there are challenges and complexities to overcome.			
Delivery Confidence RAG Rating				
<input type="checkbox"/> Red - Completely new approach, a new pilot and/or process with a new supplier.		<input checked="" type="checkbox"/> AMBER – Known method/process/supplier but not used before.		<input type="checkbox"/> GREEN – Tried and trusted method/process with known supplier.
What are the top level milestones for the project?	Milestone:	Deadline:		
	Creation of Talent Hub, including recruitment to additional hub posts	30/11/19		
	Map hard to fill post and skills gaps thorough the workforce planning project on a staged basis	31/01/20		
	Map apprenticeship options to hard to fill posts and skills gaps on a staged basis	31/01/20		
	Apprenticeships communications campaign for internal staff	31/10/19		
	Continue to work with managers to understand development opportunities for their teams	Ongoing		
	In conjunction with the talent and succession management project map career pathways	Ongoing		
Route to approval if known				
<input type="checkbox"/> Consultation	<input type="checkbox"/> Key Decision	<input checked="" type="checkbox"/> Non key Decision	<input type="checkbox"/> Cabinet Approval	<input checked="" type="checkbox"/> Other (specify)
Date:	Date:	Date:	Date:	Date:
What are the top level risks to the project?	Insufficient resource to deliver the required outcomes: learning from elsewhere indicates that investing in a small, central team is a critical enabler to maximising the opportunities and benefits created by the Apprenticeship Levy.			
What assumptions have been made?	That the Council is committed to developing its workforce, residents and partners and therefore increasing the number or apprentices and apprenticeships			
What project board will this project report to?	This project will report to the Opportunities Theme Board			
Who or what are impacted by this project (including headcount reduction)?	This project will impact staff, residents and partner development. In addition all redeployment, recruitment and use of agency workers will be required to consider an apprenticeship as a first stage activity.			

3. Deliverables, dependencies and critical success factors

Ref	Deliverable	Dependency	MoSCoW	Success measure
	Deliverable: Staffing agreed for Talent Hub Benefits: Dedicated resource to develop the programme and deliver results			Funding is available
	Deliverable: Recruitment – internal/external underway Benefits: We have the right people to deliver			Staff in place
	Deliverable:			

	Benefits:			
	Deliverable: Benefits:			
	Deliverable: Benefits:			
	Deliverable: Benefits:			
	Deliverable: Benefits:			

4. Stakeholder consideration - Related projects, programmes and operational functions

Ref	Project, Programme or Function	Consideration	Stakeholders
01	People &		

5. Governance model

Name	Role	Involvement

6. Total Cost and Saving Projections please attach appendices if required						
Supporting Narrative: See attached Apprenticeships Framework and proposed Talent Hub structure						
Existing Revenue Budget <small>indicate if HRA, Grant, or General fund applicable, Transformation</small>	Yr1 18/19	Yr2 19/20	Yr3 20/21	Yr4 21/22	Yr5 22/23	Total
Cost centre 1						
Cost centre 2						
Total:						
One off Capital costs <small>e.g. significant building modifications</small>						
Cost A						
Cost B						
Total:						
One off Revenue costs						
Cost A						
Cost B						
Total:						
Ongoing Costs <small>e.g. Programme Manager, Legal Advice</small>						
Cost A		116k				116k ongoing
Cost B						
Total:						
Savings <small>e.g. Existing budget less ongoing costs or income generation</small>						
Saving A		116k*				116k
Income generation A						
Total:						

- Delivery of this project will reduce the value of lost Apprenticeship Levy by at least £200k per annum and potentially more. In addition, a range of non-cashable benefits have been identified.. Recruiting significant numbers of apprentices into the council will help local employment, upskill the workforce and show that the Council values and supports its workforce. A more stable retained workforce will reduce agency levels and sickness levels which will result in savings. It is also possible that some training budgets might ultimately be replaced by the apprenticeship levy, but further work is required to understand this opportunity in more detail.

7. Financing the Project	
What assurances can you give that costs/benefits identified will be delivered?	<p>There are many variables associated with this project. However, it is clear from others' experience that the combination of leadership – ie support for apprenticeships from the top of the organisation – and enabling resource, such as that proposed in this business case, are the two critical enablers to maximising the benefits of the Apprenticeship Levy. Subject to approval of this business case, both of those conditions would be in place at Havering, generating a high degree of confidence that a broad range of benefits, both cashable and non-cashable, can be delivered.</p> <p>What methods of value for money have been used? e.g. Benchmarking, soft market testing, competitive analysis:</p> <p>Benchmarking with other councils in London and nationally</p>
What are the key financial risks to the proposed option?	<p>–Investment in the Talent Hub to make greater use of the Apprenticeship Levy is a comparatively low risk proposal, as evidenced by the experience of other organisations in the public and private sector. There is an ambition to ultimately reduce departments' training budgets as greater use of the levy is made to develop staff; this proposal is not quantified at this stage and would represent a reasonably high risk were it to be progressed without further exploration and analysis.</p> <p style="text-align: center;">Financial Confidence Rating</p> <p> <input checked="" type="checkbox"/> RED - Indicative figures that are yet to be ratified, further work required to develop full costings and/or savings. <input type="checkbox"/> AMBER - Costs and saving identified for part of the project but delivery in some areas is uncertain. <input type="checkbox"/> GREEN – Costs are known and saving targets are deliverable. </p>
If savings been listed under MTFS or any other savings target please explain?	Reducing lost Apprenticeship Levy is an MTFS target.
Can this project be delivered within existing budgets if not why not?	The current team is insufficient to deliver this project both in scale and speed, especially considering the council's ambitions to use the Apprenticeship Levy as a key enabler of workforce transformation.
What other sources of funding could be considered?	None

8. Constraints			
Ref	Constraint	Affected deliverable	Mitigation

9. Risks			
Ref	Risk	Mitigation	Owner

10. Issues			
Ref	Issue	Mitigation	Owner

11. Initial Equality & Health Impact Assessment Checklist		YES	NO	Action
Are you changing, introducing a new, or removing a service, policy, strategy or function?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>If you answered YES to any of these questions complete full EQHIA</p> <p>If you answered NO Please provide an explanation on why your activity does not require an EQHIA below.</p> <p><i>This is essential in case the activity is challenged under the Equality Act 2010.</i></p>
Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
EQHIA not required:	This proposal has the potential to enhance diversity and inclusion across the council's workforce.			
Further guidance and advice https://intranet.havering.gov.uk/help-with-work/equality-impact-assessment/				

12. Consultation & Approvals			
Who has been consulted with?		Who has approved this?	
Risk Management		Responsible Director	
Equality & Diversity	√	Chief Financial Officer	
HR	√	Transformation Board	
Legal		Lead Member	
Procurement		Other Board	

Appendix 1 Version History		
Revision date	Revision by	Summary of Changes

Delivery

