

<b>Meeting Title</b>	<b>Trust Boards in Common</b>		
<b>Date</b>	6th February 2019	<b>Agenda item</b>	15
<b>Report Title</b>	National Apprenticeship Levy Annual Update		
<b>Lead Executive Director</b>	Danny Hariram, MSB Chief People & Organisational Development Director		
<b>Report Author</b>	Rachel Gray Vocational and Workforce Re-design Lead		
<b>Action Required*</b>	Approval <input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Information <input checked="" type="checkbox"/> Other <input type="checkbox"/> (specify) <input type="checkbox"/>		
<b>Trust Strategic Objectives</b>			
<b>Executive Summary</b>	<p>This paper provides an update on the utilisation of the Apprenticeship Levy over the past twelve months which has seen an increase in the number of staff embarking on an apprenticeship qualification. The committed spend as at 31<sup>st</sup> December 2018 is £2,150,923.00 should all that have commenced an apprenticeship as of this date complete their programme.</p> <p>The ambitious target set for the first twenty four months was to maximise the use of the levy through the creation of an infrastructure to recognise the value of workforce development and the role played in driving higher quality and creating career pathways.</p> <p>A number of actions are underway including:</p> <ol style="list-style-type: none"> <li>1. Coordinated and planned campaign to engage staff</li> <li>2. An audit of business requirements</li> <li>3. Development of a coherent career pathway</li> </ol> <p>Additional detailed work is evolving in collaboration with partners from across the STP.</p> <p>The Nursing Career Pathway has been established, providing opportunities for the pre-professional workforce to access apprenticeship programmes to advance their career. A total of 260 are currently signed to a programme undertaking qualifications ranging from level 2 through to registered nurse.</p> <p>With the expansion of healthcare related apprenticeship programmes becoming more readily available and opportunities to extend apprenticeship provision to other areas and professional staff groups across group, it is anticipated there will be an increase in the utilisation of the funds indicating there will be no claw back initially when the expiry period of levy funds commences in April 2019</p>		
<b>Recommendation</b>	The Boards of BTUH, MEHT and SUHT are asked to note the contents of the paper for information.		
<b>Appendices</b>	1		

## National Apprenticeship Levy Annual Update

### 1.0 Introduction

The purpose of this paper is to provide an update on the utilisation of the msb Group Apprenticeship Levy funds. This includes, but is not limited to, the work that the group continues to undertake in developing a pathway for 'growing our own' nurses through a stepped career progression model and in engaging in a programme of 'school to board'.

### 2.0 Background

The aim of the Group apprenticeship strategy is to increase the take up of apprenticeships by staff within all organisations and to increase the number of staff recruited to an apprenticeship, thus realising the Groups potential through its people, creating a skilled and varied workforce that is responsive to the changing climate of the NHS. There is a need to maximise the use of the levy as this came into effect at the same time as major changes were being implemented by Health Education England which resulted in a significant reduction of training income. The expectation is that in the longer term the apprentice levy will become 'the training pot' for healthcare organisations unless other income is identified or investments are made.

Key points to note from a national perspective are

1. Reduction in apprenticeship starts reported 375,800 for the 2017/2018 academic year compared to 494,900 in 2016/17 and 509,400 in 2015/16 a decrease of 24.1 and 26.2 per cent respectively
2. 92% held in digital apprenticeship levy accounts had not been spent in the first 10 months of the apprenticeship levy being introduced (April 2018)
3. There has been a rise in people taking higher apprenticeships from 2,470 participants in 2012-2013 to 11,130 in 2016-17
4. To help bridge the skills gap, large employers will be able to transfer up to 25 per cent of their annual apprenticeship funds to smaller organisations including those in their supply chain from April 2019 (currently 10%)

### 3.0 MSB Group Context

Developing the support of our workforce and investing in long term workforce development are two priorities which have the strategic intention to develop progression pathways. Having a better understanding of the shape and make up of our workforce is essential if we are to know how to make the most of the skills that exist in our staffing establishment. Role redesign and the need for individuals to work across organisational boundaries are also becoming more commonplace in an attempt to join up services and make the best use of available resource. Key actions will be to:

- develop a clear plan for how the workforce will change shape and how this changing shape will actually be delivered in practice using projections for health economics and demographics to underpin the design
- develop a comprehensive apprenticeship programme linked to career pathways as an effective means of creating a 'grow your own' skilled, flexible and motivated workforce.
- partner/contract with social care and other partner organisations to source role opportunities

Utilising the Apprentice Levy across the msb Group has not been without it challenges. Introduced in May 2017, the plan was to access the funding to support the career pathways for the pre-professional

nurse workforce and other clinical/non-clinical career pathways. The planned take-up, however, has not reached the levels anticipated for a number of reasons:

#### **Non-availability of suitable programmes**

Although the amount of apprenticeship programmes fitting the requirements for the training of staff is gradually increasing as more apprenticeship standards are approved. The challenge remains with training providers and HEIs realising the benefits and implementing plans sooner, to enable the uptake in a timelier manner.

#### **Off the job training**

New apprenticeship reforms dictate that 20% of apprentice time is protected for study, this includes existing staff that are not paid an apprentice salary. The impact of this is a pressure in operational teams to release team members for study as well as delivery of education within workplaces by the education provider. However, this has been recognised nationally and programme providers are being encouraged to offer considerable flexibility in respect of the delivery of learning thus minimising the impact on service delivery.

#### **Resource implications**

There are limited resources within the MSB People & Organisational Development team to support the apprenticeship provision and development of pathways and planning with a large degree of administrative complexity in procuring, recruiting and delivery of training.

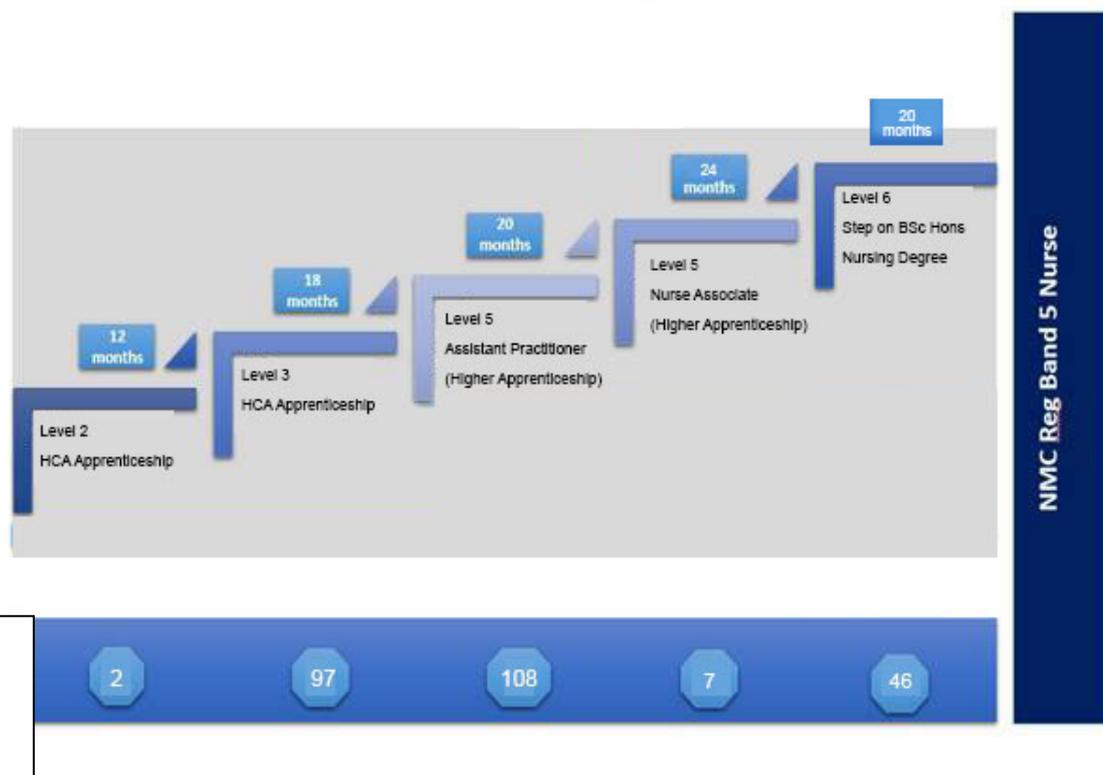
### **3.1 Nursing Career Pathway**

The development of the Nurse Degree Apprenticeship has opened a progression pathway for aspirational support staff and a career pathway has been embedded which enables the organisation to offer the workforce a stepped career progression using apprenticeship standards from entry level to registered profession supporting the pipeline of nurse development. It enables the support staff to progress to registration, following educational pathways. The aspiration is to offer a career pathway for our support staff which demonstrates a return on investment through the reduction in overseas nurse recruitment and reduction in temporary staffing through increased retention from the 'grow your own' initiative.

The three hospitals within the Group face the same challenges with nurse recruitment, turnover and high vacancy rates which is expected to increase if we do nothing. In particular for the Band 5 nurse workforce where we have the most pressing issues in recruitment.

While continued efforts are made to improve retention, introduce new roles to ease pressure on the registered nursing workforce and recruit from overseas, there is still a significant Band 5 nursing gap going into the future.

**Fig 1. Nurse Apprenticeship Pathway**



The first pathway requires obtaining a level 2 and level 3 apprenticeship in the initial phase. A level 3 qualification (or A levels) and maths and english at level 2 qualifies the employee to progress to next phase of the foundation degree / higher apprenticeship and then to top up to obtain BSc (Hons) Nursing degree apprenticeship. This entire process could take 70 months in total from initial phase to registered nurse. However, this is a step on and off programme which allows flexibility and career progression. At the end of Level 5 staff are qualified to work as Assistant Practitioners.

The Shape of the Caring review held by Health Education England in 2015, identified a gap in skills and knowledge between healthcare assistants and registered nurses which led to the creation of the nursing associate to bridge this gap.

An STP trainee nursing associate partnership led by the msb group could transform the workforce horizon if we embed this new role into our workforce.

Anticipated numbers to qualify / Nurse Top up Degree over the next three years:

Trust	December 2019	June 2020	Assistant practitioners progressing to Nurse Top up June 2021
MEHT	4	3	17
SUFT	5	8	13
BTUH	16	10	18

### 3.2 Up-Skilling and retaining the workforce

In addition to the Nurse Degree Apprenticeship, a number of other degree apprenticeships have been or are in the development phase. Leads from identified clinical areas including cardiac physiology, audiology and occupational therapy are collaborating with POD to identify potential career pathways utilising the levy to support recruitment and retention.

The funding for education generated by the levy will support a number of management and leadership programmes to enable emerging and existing leaders to develop their leadership skills through an accredited qualification.

#### Utilisation of committed spend as at 31<sup>st</sup> December

Current figures of committed spend if individuals remain on programme to completion are shown in table 2

Organisation	Total funds received to levy account May 2017 – March 2018	Total funds received to levy account April 2018 – December 2018	Committed spend for both reporting periods
MEHT	£789,204.05	£526,674.22	£529,467.00
SUFT	£643,109.25	£626,618.82	£574,764.00
BTUH	£792,195.90	£671,668.94	£1,046,692.00

Table 2

### 3.3 Public Sector Target

As a Public Sector Organisation, we are required to publish our apprenticeship training figures against the 2.3% government target. For the msb Group, for the period April 2017-March 2018 the target has not been met.

The target has not been met in this first twelve months for the following reasons:

- The 'nurse career pathway' programmes and other degree programmes follow an academic calendar
- Procurement of training providers required a large degree of administrative complexity
- Impact of 20% 'off-the job' training especially in clinical areas
- Lack of clarity of apprenticeship benefits
- Health care related standards not available to procure

These challenges are being addressed through:

- identifying and mapping the workforce requirements to available apprenticeship standards
- working with STP partners and Generation Medics to enhance engagement activities in the local community supporting the 'school to board' plans
- branding and marketing the career pathways, engaging with divisions to realise the potential of apprenticeship training to recruit, develop and retain staff

### 3.4 Functional Skills

There is an appetite within all three organisations for nurse training amongst the pre-professional workforce. Many staff however do not have the required level 2 qualifications for numeracy and literacy. Functional Skills programmes have been introduced across the msb Group, delivered by The Consultancy Home Counties Ltd. A number of staff have successfully achieved the required standard

(Level 2) enabling them to be offered the opportunity to apply for an apprenticeship training programme relevant to their career aspirations. Additional support will be given to those who do not pass at first attempt.

### **3.5 Future Opportunities**

A training provider has been appointed to deliver Leadership and Management apprenticeships from level 3 – level 6. These programmes are offered as part of the msb Group Leadership Plan, supporting development of leaders and managers across the group.

Apprenticeship Training provision for individuals or small groups continues to be undertaken using the spot purchasing option providing the costs involved fall within the Standing Financial Instructions.

As new Apprenticeship Standards become available, increased prospects for development will result in designing further career pathways. Currently in consideration are training programmes for HR Support, a range of IT Apprenticeships, Property Maintenance, Radiography, Operating Department Practitioner and Learning and Development.

An STP partnership bid led by the Essex Partnership University Trust is to be established for the procurement of the Occupational Therapy Degree Apprenticeship

A business case has been put forward by the Head of Cardiology Services to support the workforce in this profession by recruiting apprentices and 'growing our own' cardiac physiologists.

## **4. School to Board Update**

### **4.1 Work Experience**

The Work experience programme offered across the msb Group has been significantly enhanced this year. New placement areas have been sourced; procedures and processes have evolved through working with key stakeholders. 'Named' ID badges and certificates of completion have contributed to enhancing the professionalism and standard of the work experience programmes, both internally and more importantly externally.

Approximately 300 work placements have been coordinated and arranged which has given individuals insight into the healthcare environment and established links with young individuals considering a career in the NHS heightening their awareness around the many and diverse roles, both clinically and non-clinically the NHS has to offer.

Opportunities to enhance this level engagement continue as the organisations work in partnership with Generation Medics.

The Work Experience and Health Ambassador role, funded by HEE, finished in January 2019 and it is uncertain if funding will be available either from HEE or from the msb group to recruit a replacement. Pending this decision, the Vocational and Workforce Redesign Lead and Advisor are managing the process, there will be a decrease in the number of work experience and health ambassador events supported due to the lack of a dedicated resources.

## **4.2 School & Career Engagement**

Collaborating with our STP partners' msb Group staff have attended a number of School Engagement/Careers Events. Feedback has been very positive with requests for repeated attendance.

The plan is to continue to engage in events with our STP partners. Coordination and management of which will be centrally held through the Local Workforce Action Board (LWAB) Maximising Supply Sub-group

Under discussion is how to track those attending the events and then going forward to take up a role in any of the partnership organisations.

## **5.0 Future Plans**

Plans to enhance career development pathways through the availability of new apprenticeship standards as they are released to market continue. This includes developing pathways for our Operating Department Practitioners, Radiography, Audiology, Occupational Therapists and Cardiac Physiology professional workforce.

## **6.0 Benefits**

The above approach to 'growing our own' across the Group through the maximisation of the apprenticeship levy is a key part of our organisation development plan. This approach will:

- Ensure we maximise the use of the levy.
- Up-skill and retain the existing workforce.
- Provide a new entry level to attract school leavers into career pathways in health.
- Reduce the risks associated with an ageing workforce.
- Promote the development and progression of the existing workforce by investing in workforce development.
- Improve engagement and morale within the workforce.
- Improve community engagement via schools and colleges.
- Improve system working across the STP (rotational working/learning through acute, community, mental health & primary care).

## **7.0 Conclusion**

Although utilisation of apprenticeship levy funding has been slow when the Levy was first introduced, momentum and interest has increased through the introduction of apprenticeship standards for hard to recruit areas.

Additional apprenticeship funding bands have been introduced providing an opportunity for apprenticeship standards to be aligned more appropriately financially. This should increase the enthusiasm for training providers to offer the new apprenticeship standards.

Feedback nationally has supported a change in the 20% off the job training rule which benefits apprenticeship levy paying organisations.

## **8.0 Recommendations**

To increase the utilisation of levy funds, and reduce the risk of clawback, it is recommended

- Continue to identify suitable apprenticeship training, enabling us to prepare our workforce through career pathways, empowering staff to be able to contribute and add value to future msb Group strategic plans. This does require line managers to support the release and staff taking up apprenticeships.
- Continue to support our schools and colleges engagement through attending Career Fairs, which provides an opportunity for to raise awareness of the wide range and diverse roles within the NHS. This also supports our 'school to board' ethos.
- Continue to access nursing related apprenticeships to strengthen our workforce through 'safer staff' numbers and reductions in agency spend.
- Consider an option to embed an apprenticeship training programme for bands 1-4 staff new to post/role with a 'opt out' clause.
- Identify key priorities in terms of workforce planning to ensure the levy funding will meet demand.
- Consider allocating a % of the apprenticeship levy funds to each Division, with a requirement to utilise the funds allocated
- Increase the resources allocated to the programme of work including recruiting a Work Experience and Health Ambassador Administrator and advisor for each site.
- In partnership with the Communications team, create dedicated branding and marketing materials
- Continue to engage in National events e.g. National Apprenticeship week

## **9.0 Actions**

Boards in Common to note the content of the report and the actions being taken to utilise the use of the Apprenticeship Levy and the positive impact this will have on our workforce and potential future workforce.

## Appendix 1 Apprenticeship Training Uptake and Spend

	Mid Essex	Southend	Basildon
<b>Clinical Apprenticeships</b>			
• Health – Pharmacy Services Level 3 (£4,000 per person)	1 (£4,000)	2 (£8,000)	1 (£4,000)
• Healthcare Support Worker Level 2 (£2,800 per person)			3 (£8,400)
• Healthcare Support Worker Level 3 (£3,000 per person)	35 (£105,000)	17 (£51,000)	19 (£57,000)
• Healthcare Support Worker Level 3 Sep '18) (£5,000 per person)	9 (£45,000)	7 (£35,000)	15 (£75,000)
• Health and Social Care: Adult Social Care (£2,000 per person)	1 (£2,000)	1 (£2,000)	
• Assistant Practitioner Level 5 (Jan '18) (£10,000 per person)	16 (£160,000)	10 (100,000)	18 (£180,000)
• Assistant Practitioner Level 5 (Sep '18) (£12,000 per person)	11 (£132,000)	11 (£132,000)	13 (£156,000)
• Assistant Practitioner Level 5 (Jan'19) (£12,000 per person)	8 (£96,000)	9 (£108,000)	4 (£48,000)
• Nursing Associate (Pilot) (Dec '18) (£15,000 per person)	2 (£30,000)	4 (£60,000)	1 (£15,000)
• Nurse Degree 'Top Up' Level 6 (Apr '18) (£13,500 per person)	4 (£54,000)	5 (£67,500)	16 (£216,000)
• Nurse Degree 'Top Up' Level 6 (Oct '18) (£13,500 per person)	3 (£40,500)	7 (£94,500)	10 (£135,000)
• Healthcare Science Practitioner Level 6 (£27,000 per person)		1 (£27,000)	1 (£27,000)
<b>Non Clinical Apprenticeships</b>			
• Business & Administration Level 2 (£2,000 per person)	9 (£18,000)	1 (£2,000)	13 (£26,000)
• Business & Administration Level 3 (£2,500 per person)	1 (£2,500)	5 (£12,500)	5 (£12,500)
• Business Administrator Level 3 (£4,600 per person)	4 (£18,400)	1 (£4,600)	1 (£4,600)
• Business and Professional Administration Level 4 (£3,840 per person)		1 (£3,840)	1 (£3,600)
• Business Administration Med Level 2 (£1,500 per person)	2 (£3,000)		1 (£1,500)
• Business Administration Med Level 3 (£3,000 per person)			
• Associate Project Management Level 4 (£9,000 per person)		1 (£9,000)	2 (£18,000)
• HR Management Level 5 (£9,000 per person)	1 (£9,000)	1 (£9,000)	1 (£18,000)
• MCIPS Level 4 (£9,000 per person)	1 (£9,000)	1 (£9,000)	1 (£9,000)
• Senior Leader (Executive MBA) Level 7 (£18,000 per person)	2 (£36,000)	1 (£18,000)	10 (£180,000)
• Healthcare Support Services (£2,000 per person)	1 (£2,000)	1 (£2,000)	
• Children and Young People's Workforce Level 2 (£2,000 per person)		1 (£2,000)	
• Children and Young People's Workforce: Early Years Educator Level 3 (£2,500 per person)		3 (£7,500)	
• Property maintenance Level 2 (£9,000 per person)			1 (£9,000)
• Installation electrician maintenance Level 3 (£16,092 per person)			1 (£16,092)