

WEST DUNBARTONSHIRE COUNCIL

Report by the Director of Housing, Regeneration and Environmental Services

Community Safety and Environmental Services Committee: 3 May 2006

**Subject: New Employee Apprenticeship Training (NEAT)
New Construction Project (Pilot)**

1. Purpose

- 1.1** To provide the Committee with information in relation to the new Modern Apprenticeship Project which will assist young people and companies within West Dunbartonshire.

2. Background

- 2.1** This project involves establishing Modern Apprenticeships (MA's) in the construction industry in West Dunbartonshire. There are a number of young people in the area who are currently unemployed with no evident prospects, alongside those due to leave school with no progression opportunities into employment or further education. This is set against the construction sector locally which is expanding to meet development opportunities and will continue to do so, and which is currently experiencing a skills shortage. This presents an opportunity to connect the two and capitalise on local development opportunities whilst providing beneficiaries with relevant skills and secure employment.
- 2.2** Modern Apprenticeship take-up within West Dunbartonshire is low in relation to the majority of other Scottish local authority areas. This is due in part to the initial outlay required by employers without a promise of return on their investment, which acts as a major barrier to them offering MA's. The Construction Industry Training Board (CITB) offers assistance to their member businesses which helps to overcome this barrier, however businesses must have held CITB membership for a minimum of one year (which involves payment of a levy) before they can become eligible for this type of rebate. A number of small to medium enterprises within West Dunbartonshire are therefore excluded on the basis of affordability.
- 2.3** The aim of this Modern Apprenticeship Project is therefore to frontload the costs involved in the first year of the MA in order to overcome the barriers faced by employers. This is particularly significant in the construction industry as trainees are initially required to attend college for approximately 20 weeks whilst receiving a wage from the employer.

3. Main Issues

3.1 The project will involve all wet and dry trades in the construction industry in addition to plumbing and electrical. The process involved will be as follows:-

- (a) 20 employers within the local area will take on an apprentice.
- (b) The apprentices will immediately embark on MA's with courses delivered by Clydebank College, for approximately 20 weeks. During this time, the employer will be required to pay the apprentice the minimum wage, subsidise their training fees where necessary, and provide tools and other equipment; however, the apprentice will attend training on a full-time basis. In addition, the employer will be liable for additional insurance costs to cover the apprentice.
- (c) For 6 months following completion of the initial training, apprentices must work alongside a tradesperson within the individual companies to acquire further practical skills. This involves a considerable amount of downtime for the tradesperson.
- (d) Apprentices must combine a further two years of training and work experience in order to achieve a modern apprenticeship with SVQ level 2/3 in their chosen trade.

3.2 The project is scheduled to commence in April 2006, with a marketing campaign to local businesses. This will run in parallel with an apprenticeship recruitment programme, run by the Skillseekers Unit. Following selection of businesses and apprentices, the training will commence in August 2006 at the start of the college term.

4. Financial Implications

4.1 The project will pay a contribution towards the college and practical experience elements outlined above for the first year, thereby removing the initial cost barriers to businesses and helping to reduce youth unemployment.

4.2 Financial support is being drawn into the project from four different sources. The Council's Economic Development Section and Skillseekers Unit are contributing funding, including project officers' salaries. Grant support to participating employers will be drawn down from CITB. In addition, it is anticipated that the West Dunbartonshire Community Planning Partnership will contribute £13,000 Community Regeneration Fund (CRF) funding as the project fits with their worklessness agenda, although this has still to be approved by the Board. The remainder of the project is being funded by Objective 3 ESF as the result of a successful application to the Objective 3 Partnership. Over £68,000 European funding will be drawn down over the lifetime of the project from the final allocations under the current Objective 3 Structural Funds programme.

4.3 The costs will be met from existing Economic Development Revenue Budgets.

5. Personnel Issues

5.1 There are a number of partners involved in this project which demonstrates its significance both locally and regionally. In terms of project delivery, the main staffing complement will come from Regeneration Services' Skillseekers Unit with support from the Economic Development Section. Two members of Skillseekers staff will be responsible for liaising with both the businesses and Clydebank College. In addition, they will perform a mentoring role to the apprentices. Other organisations involved at the delivery stage include Clydebank College, where the study component will be delivered, and CITB.

6. Conclusion

6.1 Modern Apprenticeships (MAs) are a prominent element of current education and skills policy. In West Dunbartonshire there is currently a group of young people with no evident prospects and a construction sector locally which is experiencing a skills shortage. This project has secured European and Domestic regeneration funding to connect the two.

6.2 The Modern Apprenticeship Project will provide financial support for one year to encourage 20 small to medium sized businesses within West Dunbartonshire to take on an apprentice in the construction, plumbing or electrical trades.

6.3 The partners involved in this project are West Dunbartonshire Council, local businesses, Clydebank College, CITB and West Dunbartonshire Community Planning Partnership.

7. Recommendation

7.1 **The Committee is invited to note the establishment and funding of the Construction Modern Apprenticeship Training Project.**

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Director of Housing, Regeneration and Environmental Services

Date: 24 April 2006

Wards Affected: All

Background Papers: TERU July 2005, 'Construction Investment and Opportunities in the Scottish Enterprise Dunbartonshire Area'

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