



Return on Investment: Measuring Local Authority Apprenticeship Programmes

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Introduction

The Local Government Association (LGA) works with councils across the country to encourage engagement with apprenticeships and support the development of their programmes. From our experience we know that apprenticeships are working for councils and delivering real benefits in a range of ways from day to day service delivery to structural workforce changes. But we know councils aren't always able to measure this and quantify the positive impact that apprentices are having on their councils, understand what they have achieved or demonstrate to others the positive effect apprentices might bring to their service area.

The introduction of the apprenticeship levy and the move away from frameworks towards more rigorous standards has given employers greater choice, more control over funding and the chance to collaborate with other public and private sector organisations to develop new standards. The introduction of higher and degree apprenticeships has also greatly expanded the scope of what can be delivered.

Since the introduction of the apprenticeship levy, local authorities have paid around £600m into the funding pot and created more than 27,000 apprenticeship starts. Council staff have used over 140 different apprenticeship qualifications in the last two years covering a broad range of job roles from project management to planning; quantity surveying to social work; and highways maintenance to teaching.

But what effect has this had on the sector and our individual authorities? How is it helping us tackle our skills shortages, transform our services, support our residents and grow the workforce of tomorrow?

In this guide, we will show you how to measure the effect of your apprenticeships work, helping you to quantify the impact the programme is having on key council priorities and demonstrate to colleagues the benefits of having an apprentice in their service area, with specific ways to measure success of your programme and a step by step guide on how you can get started.

Key principles and approaches to consider:

1. Keep monitoring and measuring throughout – it is important to keep track of how things are going using real time data to create a culture that appreciates the value of ROI measures.
2. Adapt processes based on feedback – rather than setting processes and practices in stone, review how ROI is measured to ensure that it is fit for purpose and delivering the information that you need.
3. Tailor information and make it accessible to the relevant audience – this is important for any implementation. Think about what is proportionate and about what staff, managers and senior officers need to know to determine what to measure and how to present it.
4. Use benchmarking and control groups – to better understand the impact of changes and more convincingly prove causation as to why changes have happened.
5. Staff feedback – can be captured quickly and this feedback is important to understanding impact and helps to provide additional context to the data captured.

This guide aims to:



Propose ideas for what can be measured and monitored to demonstrate the value of apprenticeships and improve the delivery of your programme

Identify good practice from what councils are already doing

Focus on continuous monitoring by using live data proactively and responsively rather than conducting time intensive analysis and evaluation projects

This guide does not:



Provide an exhaustive list of what can be measured or mandate how to measure things

Set out a structure for top down performance management

Give a detailed technical approach or propose things which result in significant additional burdens

The guide is based on an analysis of effective techniques for measuring workforce return on investment, national apprenticeship guidance and the LGA's extensive experience from working with local authorities across the country on apprenticeships.

Why is measuring ROI important for your apprenticeship programme?

Measuring return on investment is vital in understanding the effectiveness of any programme and apprenticeships are no different. Whether your programme is large or small, broad or focused, tied into a range of council priorities or introduced to tackle one key issue, the only way you'll know it's been successful is to set some clear outcomes and identify how you are going to measure if these are achieved.

Return on investment describes 'the "profit" from an activity for a particular period compared with the amount invested in it. The benefit of taking an ROI approach is that you can identify both direct and indirect benefits of your programme. It might be a target for your programme to tackle a skills shortage in legal services, for example and aim to develop a younger workforce. But in doing so, you may also find that you've been able to give more opportunities to local residents from underrepresented groups too. Both can be measured and quantified.

A council's apprenticeship levy funds are also public money and measuring how effectively they are being spent will help to ensure that the greatest returns are realised from the investment. This can help the council to "shout" about their successes, highlight their achievements and identify best practice. Measuring the success and impact of programmes can help with making the case internally for why apprenticeships are important and strengthen the arguments to introduce apprenticeships into service areas or job roles that have not used apprenticeships before or are underutilising them.

For councils, there is a direct financial return on the up-front investment they make in apprenticeships training and staffing costs. Apprentices perform productive work while completing their apprenticeship and are then better qualified to do their current job or move into a new one. Training on the job means that a council can 'grow their own' workforce, give them direct on-the-ground experience and instil in them a public service ethos as they are learning. There can also be indirect financial returns arising from employing apprentices including higher staff morale and increased productivity.

Apprenticeships play an integral role in supporting councils to achieve their strategic ambitions and help to deliver vital services for residents. Often the focus can be on the internal workforce benefits, but the wider benefits to the community and residents should also be recognised. Councils should consider their wider objectives for their communities and measure the impact their apprenticeship programmes have had in these areas, including creating new employment opportunities, improving social mobility, tackling challenges with social care, inclusive economic growth or undertaking redevelopment projects.

Measuring apprentices' impact does not have to be difficult or demanding. Key performance indicators (KPIs) can be used to monitor apprentices' performance and can also be used to compare and contrast apprentices' performance with that of other staff as part of existing businesses processes. Regularly analysing the performance and outcomes of your apprentices will allow you to see the current and future benefits to the council. There is not a one-size-fits-all approach to measuring ROI and the performance metrics that a council chooses to monitor will depend on their specific context.

What are the benefits of employing apprentices?

Apprenticeships offer a range of benefits to councils affecting staff advancement, service delivery and workforce development. The National Apprenticeship Service has identified nine key over-arching benefits for organisations that have engaged with apprenticeships (see diagram 1.1). These benefits are all relevant to local authorities and can be used to help councils identify what needs to be measured in order to understand the impact of apprenticeships.

Diagram 1.1: The Benefits of Employing an Apprentice (National Apprenticeship Service, 2018)



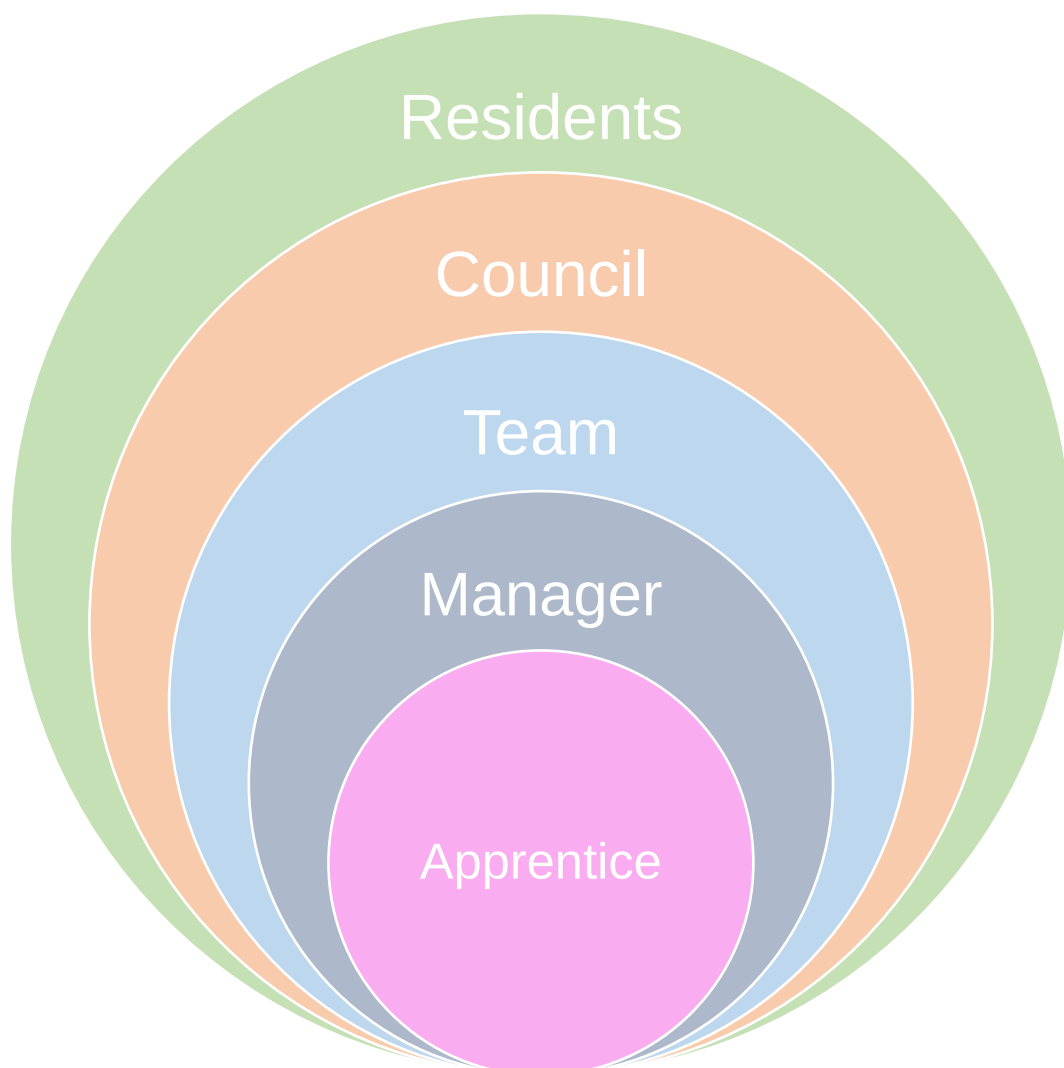
It is important to consider these over-arching benefits and use them to focus on what needs to be measured, which will help you to understand what the impact and ROI of apprenticeships has been at your local authority. Every council is different, and each will place greater emphasis on the benefits that are most relevant to their situation. For example, if high staff turnover is an issue you will want to focus on metrics that will provide insights on how apprenticeships have had an impact such as, tracking the length of time that apprentices remain with the council, or measuring trends within teams where existing staff have been invested in through upskilling apprenticeships. If you have significant skills gaps or vacancies, you can monitor the percentage of unfilled roles and whether apprentices are promoted to fill these positions.

An Apprentice's Layers of Impact: The 'Onion' Model

The benefits of an apprenticeship are not just confined to the apprentice themselves but radiate out through all the different areas of the organisation an apprentice interacts with. A useful way to think about the different areas of impact an apprentice might have is the 'Onion' model shown in **Diagram 1.2**. This model places the apprentice at the centre of a series of concentric circles of impact, like the layers of an onion, illustrating the range of groups that benefit from the apprentice's experience, skills and knowledge. The apprentice is central, as the clearest and most direct impact is on that individual expanding their knowledge, skillset and experience, but they will also impact others, from their manager to their team, the wider council and ultimately the residents and the community they serve.

There is greater impact on the groups or individuals in the 'inner layers', but apprentices will ultimately produce benefits that affect each of the layers in the model. It is important to keep these layers in mind when you consider which metrics you are going to measure to identify and monitor the effectiveness and return on investment of your apprenticeship programme. The graphic overleaf highlights some of the different ways an apprentice may impact each of the five layers in this model.

Diagram 1.2: The 'Onion' Model of Apprenticeship Benefits



For an Apprentice



- Potentially their first opportunity out of school or college to work in a professional environment
- For upskilled existing staff they are invested in by their employer to develop new skills and techniques that they would not have been able to do in their normal role
- Upon completion they will be better placed to move into more senior roles or do further apprenticeships

For an Apprentice's Manager



- Can help address a skills shortage in their team
- Can help with specific projects or take on new areas of responsibility if 20% off-the-job training is managed well
- Manager can influence the development of apprentices and 'grow their own'
- Opportunity for staff to get their first opportunity to step up and mentor or manage an apprentice
- Remember: it is better to have an apprentice in post 80% of the time than a vacancy for 100% of the time

For an Apprentice's Team



- Presence of an apprentice can have a positive impact on team dynamics and improve productivity
- An apprentice can provide extra capacity
- The team can come together as a support mechanism for an apprentice
- Provides informal mentoring opportunities for team members
- Demonstrates how apprenticeships might support their own personal development and growth
- Can bring new skills into the team or address a skills deficit

For an Apprentice's Council



- Creates a positive image amongst their staff and communities
- Support the delivery of the council's wider corporate objectives
- Develops a more sustainable workforce with a "grow your own" approach and clear career progression opportunities
- Allows council to address persistent skills gaps, address workforce 'hotspots' and succession plans
- Opportunities to develop a younger and/or more diverse workforce

For Local Residents



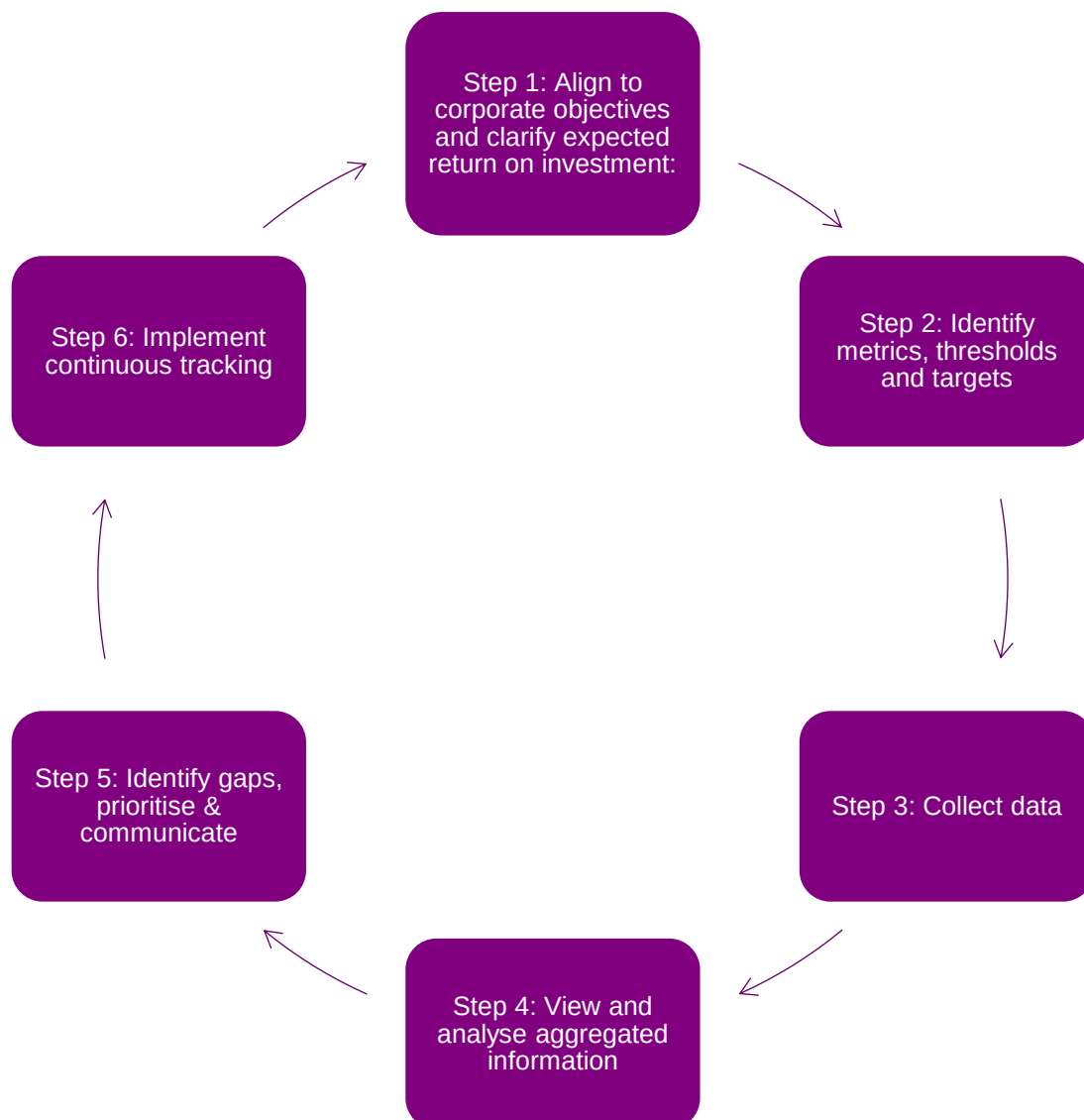
- Having a better trained workforce, addressing skills gaps or using apprenticeships as part of a transformation strategy can help deliver better services for residents
- Apprenticeships can support local people with career opportunities
- As "leader of place" councils can take a leadership role and use apprenticeships to help fill local skills gaps

Measuring ‘your’ programme: A step by step approach to measuring ROI

A mature organisation will know the value of their apprenticeship programme based on the difference that they have measured from the baselines set at the start or at a set point in the delivery of the programme. Whilst measuring ROI for learning and development is still viewed by many as an unattainable goal because of the number of other factors affecting success, understanding where the apprenticeship programme can help deliver against plans and priorities is essential. Without this, the programme, and the people on it, are just an expenditure and resource cost without any purpose.

Diagram 1.3 below outlines a six-step process for establishing and implementing measurement and return on investment.

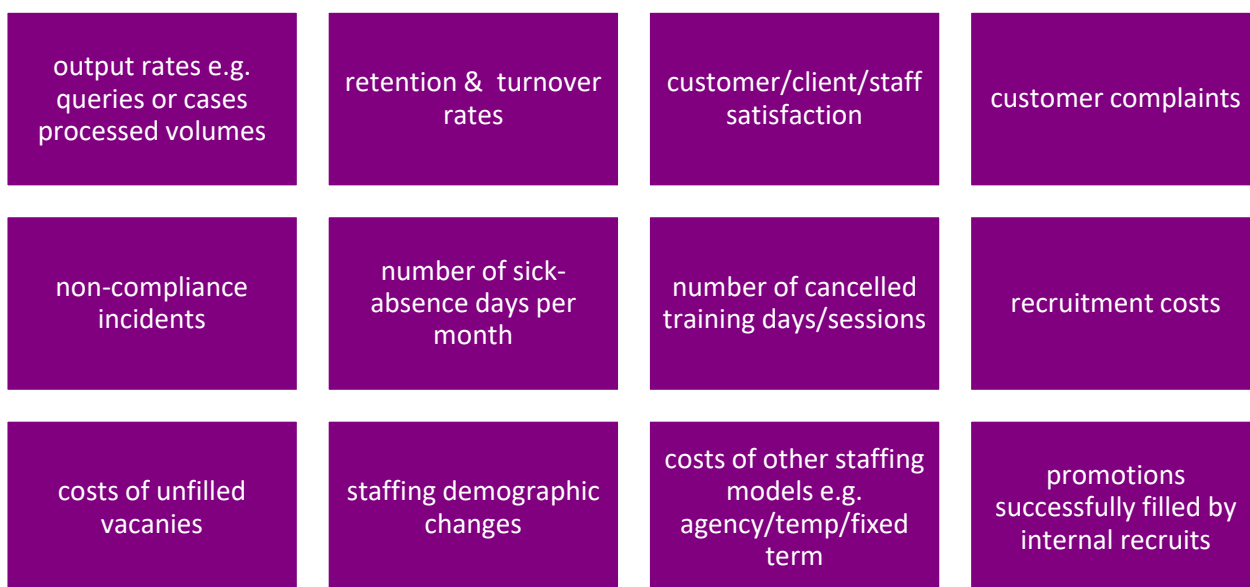
Diagram 1.3: Measuring Impact



Step 1: Align to corporate objectives and clarify expected return on investment

Return on Investment starts with mapping the apprenticeship programme contribution to the council's corporate, people, skills or other strategic plans and priorities. Once this mapping has taken place, and the purpose of the programme is clear, the contribution that an apprenticeship programme can make to each priority or objective needs to be quantified. Typical ROI measures for learning and development are set out below:

Diagram 1.4: Typical ROI Measures



*In the “**Themes**” section of the guide, there are more details on what measures can be used to track ROI for the different situations that might be relevant to your council.*

Case study: Dudley Council LGV apprenticeship

For several years, Dudley Council has organised annual LGV driver assessment courses accompanied with “on-the-job” informal learning for refuse and street cleansing operatives. The costs included employing a local LGV test centre and the accompanying backfill costs for 5 days per employee.

The Management team developed a business case to compare the affordability and quality of the Level 2 LGV apprenticeship over 12 months with that of the traditional approach undertaken at the Council. The apprenticeship includes classroom training one day a month (12 sessions) and requires posts to be back-filled on these days. Although the backfill costs are greater to take account of the classroom training, the 5-day LGV testing is included in the overall apprenticeship banding costs which makes the overall costs of the apprenticeship cheaper than the Council's traditional route. This will result in tangible savings for the Council.

It was also concluded that the quality of the classroom learning constitutes an improvement to the current on-the job learning, and this can be supplemented by further on-the job training.

A cohort of 10 apprenticeships (2 new starts and 8 existing staff) will be commencing the LGV Level 2 in the spring of 2020.

Step 2: Identify metrics, thresholds and targets

Choosing the most appropriate ROI measure depends on identifying the underlying causes that most contribute to the issue or priority that the apprenticeship programme is intended to address. This means talking to people affected by the issue and gathering information about how people affected measure and judge that the issue has been overcome or the objective achieved. Any factor identified must be:

- capable of being measured
- wherever possible, capable of being costed
- with trigger thresholds for automatic reviews: an upper threshold set, above which is success; and a lower threshold below which performance is deemed 'at risk'
- a methodology for measurement can be easily and cheaply established
- that can be used to establish the starting point baseline
- with a regular schedule for reporting progress
- against a clearly identified predicted or anticipated trajectory

Good Practice: “Flag” apprentices on HR system

Implement a system that will accurately allow you to track the current and future progress of apprentices at the council. Any strategy to measure ROI will require access to relevant data, and this approach can help to automate the process. Apprentices are spread across councils performing a range of roles, and it is challenging to accurately track all of them. Putting a “flag” on each apprentice using the HR system will make them easily identifiable and allow you to utilise data that is automatically captured by HR as part of their work. It will also provide a level of detail that is not possible to capture as part of the day-to-day running of the programme.

Once you have access to the data there are many creative ways that it can be analysed to identify trends or “hotspots”. The data can be used to generate dashboards and graphs which are important to help demonstrate ROI. For example:

- What percentage of new starter apprentices are retained after 3 years?
- What percentage progress to a higher apprenticeship standard?
- What is the average salary of a Business Administration apprentice 3 years after completion?
- What percentage of new starter apprentices are in a manager role 5 years after completion?

The types of data fields to capture include:

- the apprenticeship standard they are/were on
- grade they started at the council on
- grade they are currently on
- salary information
- additional qualifications they have taken since their apprenticeship

Depending on the measures that matter most to your council, there are a variety of ways the data can be cut to demonstrate what the impact of apprenticeships has been.

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Step 3: Collect data

Ensure that incoming performance data is generated to the schedule and is regular enough to enable actions to take place sufficiently early to address any failure or performance issues. Ensure that reporting clearly confirms progress against the objectives, for example uses a RAG rating (**RED**, **AMBER**, **GREEN**) based on the trajectory and threshold triggers set for each objective.

Step 4: View and analyse data

Once collected, progress and performance information can be analysed across the programme. This will include trends over time, progress vs trajectory, any threshold triggers tripped that require immediate action and decisions either to address progress, or quickly embed and expand any successful practice. Discussions at governance meetings need to include a review of other contributory factors and an honest and evidence-based assessment of the impact of these on progress so far.

Step 5: Identify gaps, prioritise & communicate

Where amber/red RAG status gaps are identified, particularly where this is a trend or has tripped a threshold trigger, these need to be included in programme risk registers as part of formal or structured governance. Action plan or decisions to wrestle progress back on track should follow, alongside discussions to reconsider whether measures were realistic or appropriate, or whether other factors are disproportionately affecting performance. The governance sessions exist to challenge progress to ensure that actions are implemented and that individuals leading for their relevant functions collaborate effectively.

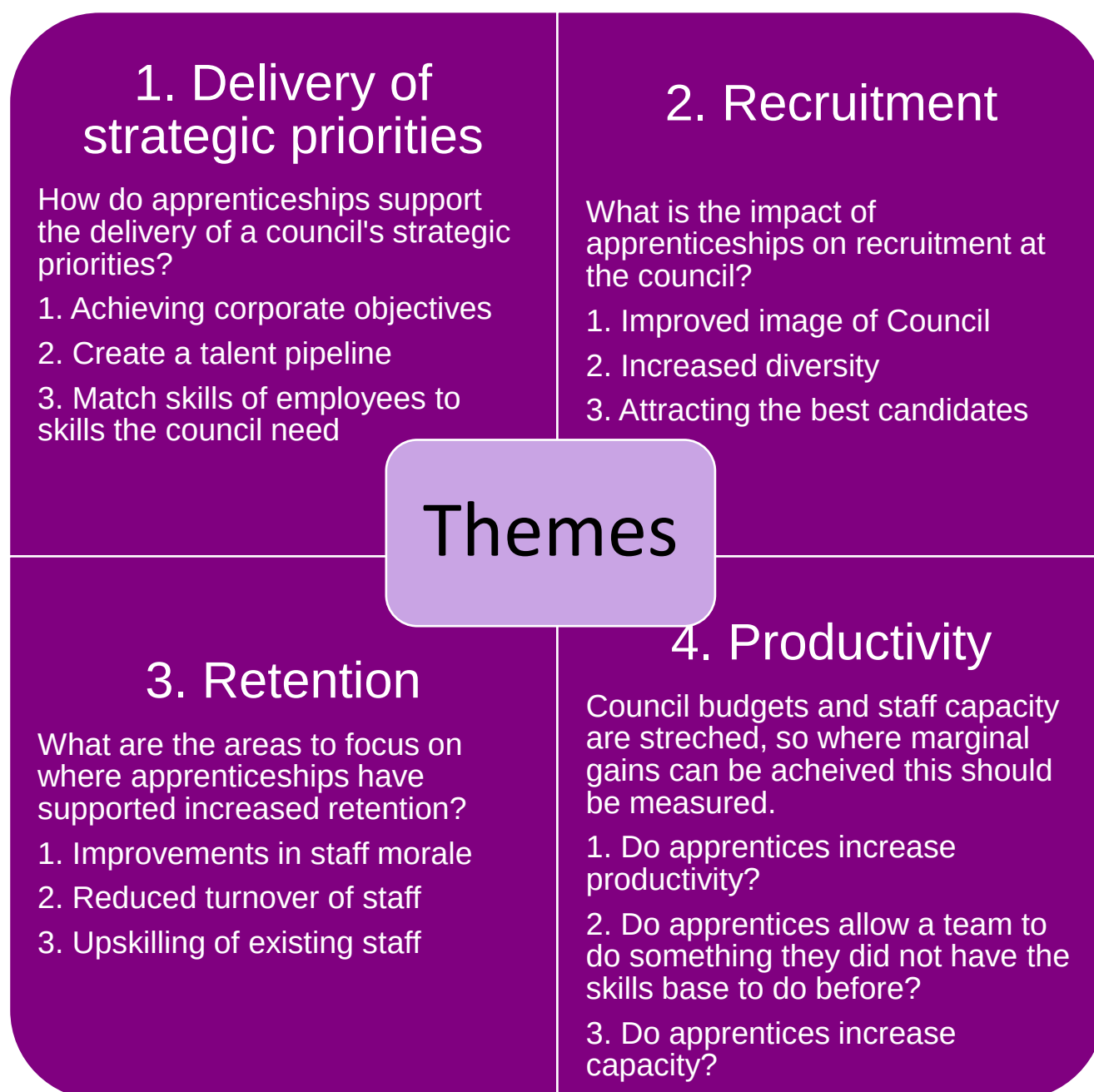
Step 6: Implement continuous tracking

Programme performance needs to be tracked regularly, regardless of the schedule of ROI reporting. This will ensure that previously identified issues are addressed and where needed, continuous benchmarking information collected and produced each month from providers, from the ILR/ Apprenticeship Service and other more regular tracking results in improvements or changes needed by the programme.

Oversight of apprenticeship ROI and KPIs, because they have a clearly defined contribution to other council plans, sits with SLT. Meetings of operational or steering groups need to be based on a regular data submission timetable and dialogue on success and under performance. This group needs to include membership from senior accountable individuals able to make decisions based on evidence from reporting and data tracking analysis.

Return on Investment Themes

We've considered 'how' you might measure ROI, but you also need to consider 'what'. Every council will have different strategic priorities and face challenges that are unique to their situation. There is not a one-size fits all approach to measuring ROI, therefore the rest of the guide focuses on scenarios or opportunities where councils might want to consider focusing on to measure the ROI from their various apprenticeship programmes. Scenarios have been grouped together into the following themes:



Within each theme we have outlined several ways that ROI could be captured and measured. This is not a definitive list but will hopefully provide inspiration to councils on the range of ways they want to consider measuring ROI.

1. Delivery of strategic priorities

1.1: Achieving corporate objectives

When developing your ROI measures for your apprenticeships programme, the first question you should ask is 'how will apprenticeships help us deliver on our corporate and strategic goals?' In doing this, you should think about both the council's corporate goals for itself as an organisation and employer, as well as the wider goals of supporting and serving residents and the community. Think about areas like creating new employment opportunities, improving social mobility, tackling challenges with social care, inclusive economic growth or undertaking redevelopment projects.

Every council has different priorities so how ROI is measured will vary. The examples of corporate objectives below are clearly not a definitive list but should highlight some of the different priorities councils can consider. Some councils will have KPIs to monitor their progress against their corporate objectives, so consider how these can be used to inform how you monitor the impact of apprenticeships.

Ways of monitoring and measuring success

Corporate Parent

Most councils have a commitment as corporate parents to support their Looked After Children and Care Leavers into work or learning. Measuring how the council has used apprenticeships to support these people should be an important ROI to capture.

Possible ROI Measures

How many care leavers or looked after children started at the council on an apprenticeship?

How have they progressed since completing their apprenticeship?

How many still work for the council? How many secured employment elsewhere?

How much money has been invested in care leavers through the levy to support their training and development?

How many Care Leavers have been supported to work at a local SME through levy transfer?

What savings to other budgets have been generated by successfully helping a Looked After Child or Care Leaver into work?

Care Sector

Social care and supporting the care sector is a major focus for many local authorities. With the approval of the Social Worker standard councils are now upskilling existing staff to become qualified social workers as well as using the existing standards in adult care.

With the lack of social workers, these apprentices are being trained up to fill an important skills gap. Councils might want to quantify the size of the gap and then track how their actions to utilise apprenticeships are tackling this challenge. They also may wish to consider a longer-term measure looking at length of service to see if they are improvements to retention among staff who undertake an apprenticeship as well as looking at whether the

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quality of the service provided improves through feedback surveys or independent evaluation.

Care homes are important partners with councils and are good candidates for levy transfer to support the training of new starters and existing staff.

Tracking the amount of money transferred or the numbers of care homes supported is another way to highlight impact. This would have been money sent back to the Treasury, but instead through the council's actions it has remained in the local economy to support a strategically important sector.

Possible ROI Measures

Track numbers of qualified care workers and social workers

Track length of service of staff in these areas

Measure the quality of the service provided through feedback surveys or independent evaluation

Track investment into care sector through levy transfers (total expenditure, number of employers worked with, number of apprentices funded, completion rates)

Tackling local skills gaps and supporting SMEs

Work with your LEP or similar organisation to identify major skills gaps in the local area.

Is the council in a position as an employer to hire people in job roles that would allow them to develop these skills (e.g. IT and digital)? If so, even if these individuals don't stay with the council after they complete their apprenticeship, if they go on to work for businesses in the local community then the council is helping to fill the skills gap. Track where apprentices end up. If they leave the council, do they stay in the local area? Having a sense of these stats can be powerful in demonstrating the circular economy.

Using levy transfers to fund apprenticeships with local employers that address local skills shortages should be a key part of any effective apprenticeship programme. Measuring the number of transfers, employers worked with, apprenticeships funded and in what areas would be key measures to record. Gathering qualitative data from businesses will be useful to add more context to what has been achieved.

Possible ROI Measures

Track the destinations of all apprentices at the council in roles that reflect skills shortages in the wider local economy

Track investment into skills shortage areas through levy transfers (total expenditure, number of employers worked with, number of apprentices funded, completion rates)

1.2: Creating a talent pipeline across your organisation

Developing an apprenticeship programme alongside effective workforce planning can allow a council to develop a talent pipeline. The average age of a council employee is around 47 and there are often particular services that will face challenges with an aging workforce. There are many benefits to having an older workforce, with highly experienced staff members who have often been in their roles a long time, but if left unattended, an employer can fall victim to a retirement cliff edge and a resultant significant loss of institutional memory. Apprenticeships offer a way to upskill staff and bring in new starters to build a pipeline to fill any gaps, which can help to ensure that the council's strategic priorities are supported by a sustainable workforce.

Creating a talent pipeline is also important for job roles that are challenging to recruit into. By bringing in new starter apprentices on entry level roles, or upskilling existing staff, they can develop their knowledge and experience over time and put the council in a position to "grow their own" to fill these roles.

Ways of monitoring and measuring success

Consider the council's experience of recruiting into specific "hotspot" job roles to understand the costs associated with unfilled roles. Consider capturing qualitative data or case studies that can be used to provide specific examples of where a talent pipeline has helped with the challenge around an aging workforce or skills gap.

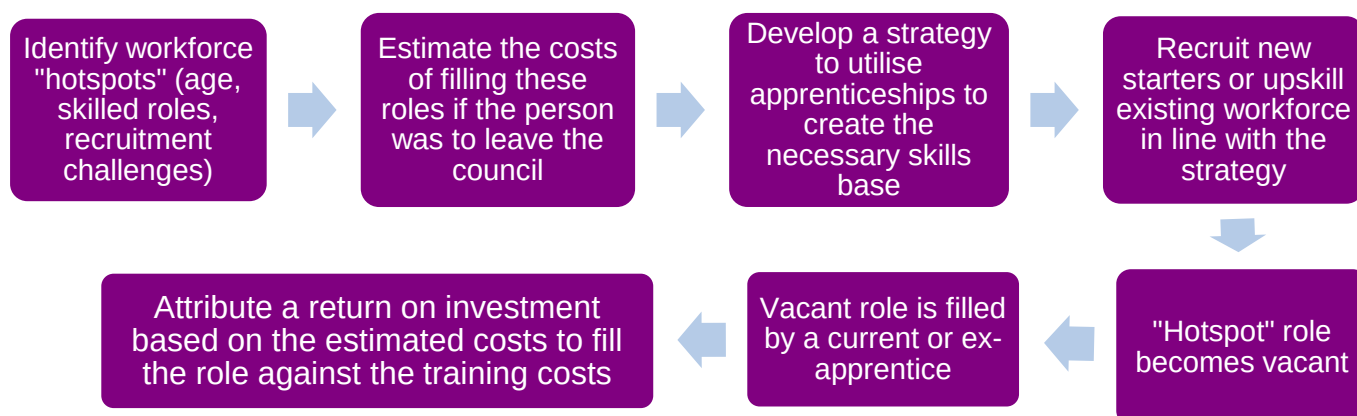
Possible ROI Measures

Establish the opportunity cost of vacant "hotspot" job roles (e.g. cost of not having someone in post, statutory implications of a vacant post, or additional salary costs of agency staff to temporarily fill the gap).

Conduct an annual apprenticeship survey of managers to highlight examples of where talent pipelines using apprenticeships have helped with challenges around an aging workforce or skills gap.

Measuring a talent pipeline isn't something that can be done instantly but will emerge when past apprentices are placed in roles that have been identified as "hotspots" for the council. The main thing is to identify what the "hotspot" roles are (skilled or aging workforce), and if the role is filled by an ex-apprentice then ensure that this is attributed back as ROI. Diagram 1.5 sets this out as a process map.

Diagram 1.5: Process map to attribute ROI from a talent pipeline



1.3: Matching the skills of employees to the skills you need

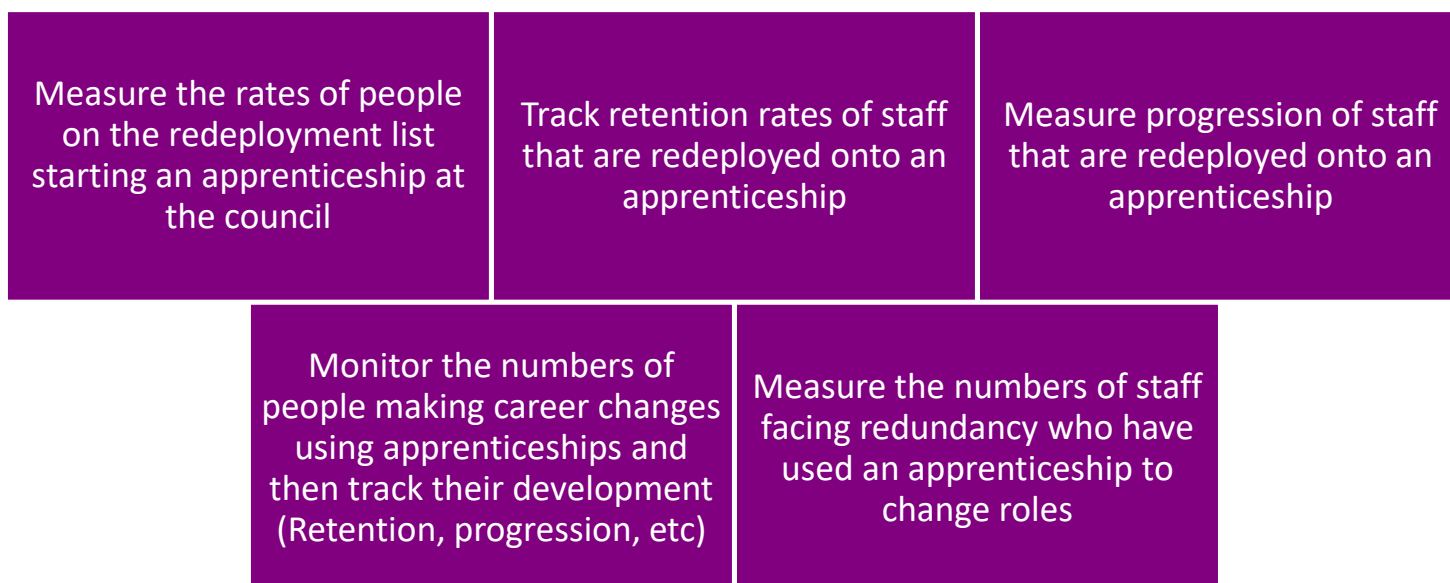
The ability to effectively match an employee's skills to a specific job function is a vital component of successful management. By contrast, keeping them in a role they are not suited to can prove costly in terms of employee performance and team dynamics. There can be a double benefit of supporting someone to move into a role that they are more suited to, as they will become more productive, but it also frees up their old role for someone else that might be more suited and therefore more productive.

Many councils maintain a redeployment list for members of staff that might be facing redundancy or coming to the end of a fixed-term contract. Apprenticeships are a vehicle that can support someone who has worked in a particular part of the council to transition to another, where their skills and knowledge are required. Someone doesn't have to be facing redundancy to change jobs within a council – career development can be horizontal (moving across to a new role) just as much as it can be vertical (moving up to higher grades in the same field). Apprenticeships are an effective way of supporting this transition.

Ways of monitoring and measuring success

Below are a few ways councils might consider measuring whether their apprenticeship programme is supporting the council to match the skills of its staff to the skills required by the council to achieve its strategic priorities.

Possible ROI Measures



2. Recruitment

2.1: Increasing your diversity

Councils want to look more like the communities that they represent and increase the range of ideas and voices. Promoting entry level apprenticeships to people from underrepresented or disadvantaged groups is an excellent way of providing opportunities that may not have existed otherwise and is an area that councils have a strong track-record in. Apprenticeships offer the opportunity to hire people who may not yet have the skills or experience required for a particular role but could be trained on the job. It has become almost standard practice for many employers to require applicants for job roles to have a degree, even if the subject or qualification has no bearing on the person's ability to do the job. This can have the effect of excluding a large number of potentially suitable candidates from securing employment. Apprenticeships typically don't have a degree requirement and can allow employers to train a staff member right through to degree level – if required – on the job.

Entry level apprentices might have the opportunity to be on a career progression pathway that could lead them to those more senior roles. This can not only help councils grow their own but can help to improve diversity at more senior levels of the organisation.

Ways of monitoring and measuring success

Tracking the progression of apprentices from underrepresented and disadvantaged backgrounds within the council is one way of measuring success. Over time you can measure changes and highlight where people have progressed. For example, a young person from a disadvantaged background hired on an entry-level apprenticeship who progresses to higher grades is a success story as this person may not have had the opportunity to reach that level without the opportunity to start on an apprenticeship.

Possible ROI Measures

Measure the number of apprentices from underrepresented groups compared with the total across the organisation or directorate.

Track the progression of apprentices from underrepresented groups within the council. Over time measure changes and highlight where people have progressed to.

Measure the ratios of people from underrepresented groups at different levels and pay grades at the council. Measure changes over time.

Councils are "leader of place" and understand their communities. So you might consider focusing on particular wards with higher levels of deprivation and measuring a change in the numbers of people from these areas that are working for the council.

2.2: Attracting the “best” candidates

We know that apprentices do not just add value when they are on their programmes, but they continue to add value as they progress in their careers. Many apprentices will stay with the local authority they trained at and move into other jobs at the council. It will have been undertaking an apprenticeship that either gave them that first opportunity in the world of work or supported them to develop new skills to get promoted. Organisations that can demonstrate that they have effective apprenticeship programmes, invest in their staff, and provide progression opportunities will attract higher quality candidates.

Ways of monitoring and measuring success

Possible ROI Measures

Measuring retention rates is clearly the primary method of measuring success. Focus on new starter apprentices and track these rates. Create measures for three and five years from completion of their apprenticeship.

Formal feedback from managers can be used to provide some more context that the data cannot show. Using appraisal forms is one way of achieving this.

Tracking the numbers of apprentices that have attained further qualifications while at the council may also be a useful signifier.

Case study: Durham County Council: Flagging new starter apprentices on HR system

Durham have set up a process whereby new starter apprentices are “flagged” on their HR system. This will allow them in the future to see the retention and progression of their apprenticeship cohorts. They will be able to filter these individuals and pull statistics of the numbers still at the council, the service area they are in, as well as other important HR data. All this information can be used to measure impact long-term and highlight that they have been able to attract high calibre candidates who have proven themselves at the council.



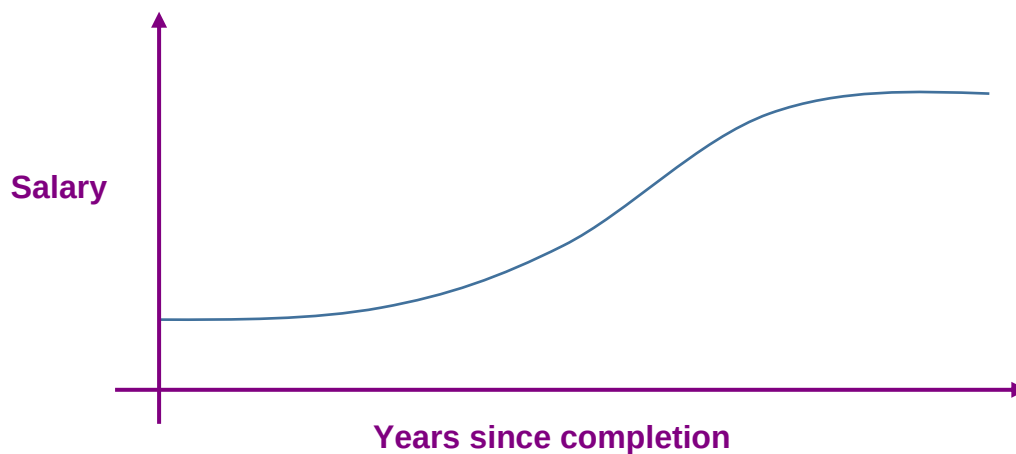
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Tracking progression

One way to track apprentice progression is by looking at salary and bandings. Salary is generally accepted as one of the more reliable measures of progression. One could argue that higher salaries are attached to more senior roles and by attaining a higher salary, apprentice alumni have moved into a more senior position.

- Measure the average salary of apprentices in different directorates based on their intake years. This in theory should increase the further from their intake date as they move into more senior roles. Diagram 1.6 is an example of what you might expect to see if you performed this type of analysis.
- Comparing apprentice progression to staff that joined at the same time and had a similar level of experience would also be a useful way to demonstrate the impact of apprenticeships.

Diagram 1.6: Example of relationship between salary and experience



2.3: Improving your council's image as an employer

The greatest barrier to recruiting talent for councils is the negative perception of local government. The 2016 LGA/NLGN report 'Outside the Box: The Council Workforce of Tomorrow' found 66% of council HR directors held this view. Local government is not always seen from the outside as a place for entrepreneurial, dynamic or ambitious people. This sense doesn't reflect reality but can contribute to low morale and make recruitment more difficult.

Apprenticeships and career progression pathways offer a way for councils to dispel these sentiments and change the narrative around what it is like to work in local government. Research from PwC ('Millennials at work: Reshaping the Workplace', 2011) found that millennials, for example tend to be motivated by career progression, more so than salary. Apprenticeship programmes can provide more clarity around what opportunities there are in local government and highlight that the council will invest in you to support your progression. Increasingly councils are creating career pathways for their core functions such as legal, accounting, IT, engineering and social work. Rotational apprenticeships are also being introduced in some authorities, where the apprentice will rotate around different departments, getting a 'taster' of a few different roles, before they decide where to specialise. These are all exciting propositions and can help to contribute to improving the council's image by creating a sense that it is forward thinking and innovative.

Ways of monitoring and measuring success

If your council has developed a dedicated new starters apprenticeship programme to attract school leavers into the organisation, consider how to measure whether the council's image has been positively impacted as a result. For example, do you have a Future Engineers Programme, or School Leaver accountancy pathway? Often these types of programme will be advertised as an exciting learning and development opportunity, rather than simply as a job role. These programmes can create a sense of prestige around the opportunity like other private sector organisations that have created school leaver programmes and help to improve the council's image.

Possible ROI Measures

Use staff surveys and questions linked to apprenticeships to understand perceptions of the council.

Conduct surveys of applicants and those offered jobs by the council to gauge their external perceptions of the council.

Are there regular surveys of residents or businesses conducted by the council? Consider utilising these to measure the council's image in relation to apprenticeships.

Gather qualitative feedback from students, parents, and teachers at apprenticeship events and through surveys to understand what their perceptions of the council and apprenticeship programmes are.

Track application rates. Compare these to other similar entry level apprenticeship opportunities. Measure rates over time to track changes.

3. Retention

3.1: Raising staff morale

Apprenticeships can help with raising staff morale at all levels within the council (team, service area, and council-wide). They provide the opportunity to bring in new people into the organisation which can have a positive impact on morale. Staff that are on upskilling apprenticeships tend to feel invested in by their employer and valued. Career pathways that use apprenticeships to bridge the gap to new job roles provide staff with a sense of the journey that they are on. Apprenticeships also provide opportunities for existing staff to develop mentoring and management skills that might not have existed without the council engaging with apprenticeships and this can have an impact on their morale as they have an opportunity to develop new skills.

Ways of monitoring and measuring success

Measuring staff morale accurately is a challenge, as it is difficult to quantify and there are a variety of measures that can be used. Below are a few ways that staff morale might be measured. By comparing across teams and using a variety of data sets this can be attributed back to apprenticeships.

Possible ROI Measures

Workforce data

Utilise staff sickness and absenteeism stats. Compare across teams and services to see if there are noticeable differences in teams that have taken on apprentices and those that have not. Or measure the impact within a team by setting a benchmark and analysing the data for before and after they started taking on apprentices.

Staff surveys

It is important to capture quantitative and qualitative data as part of this process. Consider using benchmarking to help measure change over time. Data sets to focus on could include overall satisfaction; do they feel valued; sense there are opportunities to develop. Cross-cutting analysis of the data is a further way to draw more conclusions. Are there higher levels of satisfaction amongst staff on apprenticeships or within teams that have apprentices?

Micro-surveys

It is not as simple as conducting a large annual staff survey that captures the basic information that shows changes in the percentage of staff feeling valued. Conducting micro-surveys that focus on particular issues or specific teams, and measure changes over time is another way that impact on staff morale can be measured. These are much shorter questionnaires that can be used to benchmark, as well as be conducted at various points while they have apprentices.

“Deep dive” evaluations

A more resource intensive option that might be suitable is to conduct “deep dive” evaluations with teams that have had apprentices. This process is designed to capture rich qualitative data on their experience, highlight any noticeable changes, improvements, and challenges. Evaluations can be conducted as 1:1 conversations or workshops.

3.2: Reducing staff turnover

There can be a number of reasons for high staff turnover. Often it can be closely linked to staff morale. If staff feel like they are being invested in and valued by their organisation then it can reduce the “push” factors that lead them to look elsewhere. In addition, if there are opportunities for progression then staff can feel more motivated. Reducing staff turnover will have real financial impact as there are costs associated with recruitment to replace people and new starters will take some time to fully get up to speed.

Ways of monitoring and measuring success

Measuring changes in staff turnover requires a much more data driven approach which should provide you with a more accurate picture of how apprenticeships are supporting the council in improving in this area. Below are several measurements a council might want to consider tracking.

Possible ROI Measures

Overarching measures	Targeted measures	Financial measures
These overarching measures are useful in providing context and can highlight some of the wider trends. - Track changes in the council's overall turnover rate. - Track changes in turnover rates for each service area. - Correlate between the numbers of apprentices in a service area and the change in turnover rate.	- Measure the percentage of apprentices offered a job with the council on completion of their apprenticeship. - Work out the baseline turnover rate for particular job roles. Track upskilling apprentices in those job roles and measure the difference in turnover. - Track the percentage of apprentices still with the council three or five years after completing their apprenticeship. This can be compared to overall staff turnover or turnover in the service area they are working in.	- Quantify the financial savings from reducing staff turnover. These are unseen savings and are often forgotten, but they represent a significant way that apprenticeships provide an ROI. - It is important to establish a baseline figure for different job roles. What is the typical cost of filling a role? - Once you have established figures, work out how many extra roles have been saved as a result and what that amounts to financially. - Is there a high use of agency staff to fill gaps? Factor this into calculations to demonstrate the returns realised by reducing turnover rates.

3.3: Upskilling existing staff

This is one of the most important benefits of the new apprenticeship system. Councils are using the levy to identify staff that they can upskill to help fill skills gaps, to retrain staff that are being made redundant, or create progression pathways that allow someone to see how they can develop in their career. A council that does this effectively can see productivity gains, reduced costs for recruitment and hiring, a healthy movement of the workforce that progresses people and creates opportunities for others to step into.

In some cases, councils provide professional development training to staff separate from apprenticeships. Many of these people might be prospective apprentices and their training needs could help to spend the council's levy and reduce expenditure from other budgets. Dudley have been highlighted earlier as a council that have identified the potentially greater ROI from putting their LGV drivers through an apprenticeship as opposed to the more established assessment courses.

Ways of monitoring and measuring success

The measures below set out some ways that a council might consider monitoring the impact of apprenticeships on upskilling their existing staff. An important area to consider is quantifying the financial savings from recruitment costs that are associated with upskilling staff who are able to fill vacant posts as a result of their apprenticeship. What would the costs in recruitment and salary costs be to fill a role externally? If that role has been filled by an upskilling apprentice then the costs of the apprenticeship can be offset against what the cost would have been to hire externally.

Possible ROI Measures

Measure the percentage of upskilling apprentices who complete their apprenticeship

Measure the percentage of employees who are promoted internally who were former apprentices, particularly at senior levels

Measure the number of unfilled skilled roles with the council and the percentage of skilled roles filled by former apprentices

Measure the changes over time of skills gaps and how apprenticeships have impacted this

Capture qualitative data on what upskilling apprentices have achieved during their apprenticeship. This might be something they have done through the 20% off the job training

Tracking turnover rates of staff on upskilling apprenticeships is important and can demonstrate impact

4. Productivity

This is one of the most important benefits that apprenticeships can bring to a council but is the one least understood and measured. Productivity is something that can be quantified and can provide statistics that clearly demonstrate the impact an apprentice has had on a team or service area. It should be possible to measure the “inputs” (apprenticeship training, salary, mentoring support) and “outputs” (projects, tasks, etc) which will demonstrate what has been achieved from the initial investment. Finance directors and senior officers may be more flexible with making exceptions to hiring freezes and salary costs for apprenticeships if they can see what estimated benefit they can expect from that investment, particularly if you can demonstrate it is an ‘invest to save’ approach.

Ways of monitoring and measuring success

Increased productivity

There are a wide variety of ways that apprentices can deliver productivity gains for a council, so it is worth taking the time to consider what these might be and how best to measure them. Does a team get through a higher volume of work as a result of utilising apprentices? For example, a school leaver apprentice might naturally possess digital skills which lends itself to new ways of working at a council, and as a result they work more efficiently. The challenge is to identify the ways to measure ROI.

Expanding the skills base and experience of the team

Apprenticeship training through off-the-job learning teaches people to understand new ways of working and develop their skills. Apprentices are in a good position to knowledge share what they have learned with their teams. This can have an impact on productivity as the wider team benefits from the training the apprentice is undertaking. Staff may have been in the role for several years and not been exposed to new ways of working. Maybe an apprentice is undertaking a standard that brings entirely new skills to a council. For example, graphic design, and this can help to expand the skills base of a team.

Increased capacity

Closely linked to increasing productivity, apprentices can play an important role in simply increasing the capacity of a team to achieve their objectives. For example, apprentices placed in supernumerary roles will help to grow the number of people within a team and in turn their productive capacity. The 20% off-the-job training is another example of where capacity can be increased by having an apprentice. Often the 20% is seen as time away from a council that they do not get value from. But if you think innovatively and work closely with your provider, you can find ways to make sure the 20% off the job training covers productive work for the council, particularly project work, which can help to increase your capacity to achieve more.

Case study: Bath and North East Somerset: Reverse mentoring and improving digital skills

BaNES are looking for opportunities to use their new starter apprentices as part of a reverse mentoring process to support their councillors with digital skills. The council has ambitions to improve their digital capabilities and this includes elected members. By innovatively using the 20% off-the-job training element of some of their apprentices, they hope to provide valuable experience to these young people, and for councillors to benefit from the digital knowledge that the apprentices possess.

**Bath & North East
Somerset Council**

Return on Investment: Measuring Local Authority Apprenticeship Programmes

Possible ROI Measures

Encourage apprentices to be focused on ROI and get them to complete a standardised template to capture ROI in their placements. It is not a case of recording every activity, but where there has been meaningful impact. This will allow you to showcase and spread best practice and provide robust evidence for ROI. Diagram 1.7 is an example of this type of approach, and appendix 1.1 further details and a template ROI form.

Does a team or service area already have a measure for productivity? Use these measures to create control groups of staff that have been hired as usual and compare them to apprentices. Create a test case. New starter apprentices will not be productive as soon as they join, however with time there is likely to be rapid increases in productivity as they catch-up from experience.

Measure workflow and quality assurance of an apprentices work to measure changes in productivity.

Measure the projects that apprentices do as part of their programme. Particularly at the higher levels they will be given work-based projects and councils should identify work that is strategically important or projects that have not been started due to capacity issues and work with your provider to identify if this is work the apprentice could carry out as part of their off the job training.

Has an apprentice been part of a successful project? What are the metrics of success for this and did they come up with an idea/process that has directly led to a new way of working or financial saving?

Diagram 1.7: Measuring Apprentice Productivity Outcomes

