

Report title	Procurement – Award of Contracts for Works, Goods and Services	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Obaida Ahmed Resources and Digital City	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Claire Nye, Director of Finance	
Originating service	Procurement	
Accountable employee	John Thompson	Head of Procurement
	Tel	01902 554503
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Report to be/has been considered by	Directorate Leadership Team	

Recommendation for decision:

The Cabinet (Resources) Panel is recommended to:

1. Delegate authority to the Cabinet Member for Governance and Equalities, in consultation with the Director of Strategy, to approve the award of a contract for Apprenticeship Training Provider Call Off when the call off process is complete.

1.0 Councillor Paula Brookfield, Cabinet Member for Governance and Equalities

1.1 Delegated Authority to Award a Contract – Apprenticeship Training Provider Call Off

Ref no: CWC21007	
Council Plan aim	More local people into good jobs and training
Originating service	Organisational Development
Accountable officer	Paula Moore, Head of Organisational Development and Apprenticeships (01902) 552756
Leadership Team approval	1 February 2022
Accountable Lead Cabinet Member	Cllr Paula Brookfield, Cabinet Member for Governance and Equalities
Date Lead Cabinet Member briefed	1 February 2022
Procurement advisor	Chris Morgan, Procurement Manager (01902) 553775

1.2 Background

- 1.3 As part of the skills agenda, City of Wolverhampton Council (CWC) is committed to recruit apprentices and train them in accordance with the apprenticeship training standards. CWC has a Statutory Duty through Her Majesty's Revenue and Customs (HMRC) to pay into and use the Apprenticeship Levy to pay for the training of the apprenticeship. The Organisational Development team manage the Apprenticeship Levy and need to find a process to purchase training from training providers in compliance with procurement regulations. If CWC does not utilise the Apprenticeship Levy, the funding will be retained by the Government and opportunities to develop our employees will not be realised.
- 1.4 The levy is paid by large employers with a pay bill of over £3 million (they pay 0.5% of their total annual pay bill). The aim is to ensure that we use the apprenticeship route where possible to develop our current employees and to recruit new employees into apprenticeship roles within CWC. This will allow CWC to use the apprenticeship levy to fund the development of its apprentices and release the pressure on central training budgets.

- 1.5 CWC will look to maximise the amount drawn down from central government over the life of the proposed contract term but this will be largely dependent on the number of apprentices taken on and the amount of apprenticeship standards used to upskill employees. If CWC do not use this levy it will be retained by central Government. Details of the proposed contract award are shown below.

Proposed Contract Award	
Contract duration	Four years
Contract Commencement date	1 August 2022
Annual value	£600,000
Total value	£2.4 million

1.6 Procurement Process

- 1.7 The intended procurement procedure will be a Dynamic Purchasing System (DPS) call off from the Yorkshire Purchasing Organisation (YPO) DPS for Training Providers, in accordance with Public Contract Regulations 2015. This route to market has been decided as the YPO DPS has proven to be the most effective framework for the operational purposes of the contract requirements. It allows CWC to direct award to providers that are included within the DPS, having met the necessary due diligence procurement requirements. Furthermore, CWC have the opportunity to suggest and support local suppliers to submit bids to be included on the DPS, supporting the Wolverhampton Pound.
- 1.8 The evaluation scoring criteria will be 80% quality and 20% price. This is due to the fact that the majority of training providers on the DPS will all charge the same rates. The key difference is the extra quality and support that they offer, and CWC needs to ensure that this is of the appropriate standards.
- 1.9 Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.
- 1.10 The evaluation team will comprise:

Name	Job Title
Paula Moore	Head of Organisational Development and Apprenticeships
David Humpage	Apprenticeship and Placement Coordinator
Fia Williams	Apprenticeship Officer

1.11 Evaluation of alternative options

1.12 An alternative option would be to approach training providers individually, however this would be time consuming, not offer economies of scale and could potentially breach the Public Contract Regulations 2015.

1.13 A further alternative option is not to deliver the services. This would mean that CWC would not be carrying out its statutory duty.

1.14 Reason for decisions

1.15 Procuring a training provider for the provision of apprenticeship training will ensure CWC can meet its statutory duty, while also providing high quality training to staff and apprentices.

1.16 Financial Implications

1.17 The Apprenticeship Levy was initiated by the UK government in April 2017 for all employers with a wage bill of more than £3.0 million per year. Employers that meet this criterion are required to pay 0.5% of their payroll each month as a levy tax. This levy is held in a digital apprenticeship service account and can then be reinvested back into employers' workforces in the form of apprenticeship training. The levy is in the region of £800,000 per year.

1.18 Employers can access funding to meet the costs of apprenticeship training via this digital service account which is held by central government. The training providers are reimbursed through this process.

1.19 The total cost of training and the amount that can be drawn from the digital account over the proposed contract life will be dependent on the number of Council apprenticeships and the amount of apprenticeship standards used to train employees. There will be no direct impact on the Council's budgets as the training costs will be met from the funds held in the digital account.
[EM/22062022/E]

1.20 Legal implications

1.21 The procurement will be an above threshold procedure in accordance with the Public Contract Regulations 2015 and Council's Contract Procedure Rules.
[TC/09062022/E]

1.22 Equalities implications

1.23 To ensure that we meet the needs of all employees across CWC, a variety of training providers are needed who can offer different ways of delivering the training required for the apprenticeships delivered. Using this Framework will allow CWC to directly award contracts to training providers who can respond to any special requirements laid out by

the learners, this may include extensions on the general duration of apprenticeships to accommodate inclusive apprentices for those with disabilities.

1.24 It is important that CWC has appropriate training providers available to train on bespoke requirements also through apprenticeships as needed.

1.25 All other implications

1.26 There are no other implications arising from the recommendations of this report.

1.27 Recommendation

1.28 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for Governance and Equalities, in consultation with the Director of Strategy, to approve the award of a contract for Apprenticeship Training Provider Call Off when the call off process is complete.