

Memorandum for Education and Employment Committee

SUBJECT

Revised Apprenticeship Rates

Memorandum by Mrs Wendy Benjamin - Director

ADVICE SOUGHT

- 1. Members of the Education and Employment Committee are asked to approve the adoption of a flat rate for Apprenticeship allowances and to determine what this rate is.**
- 2. To agree the change in name from Apprentices to Youth Trainees.**

BACKGROUND & CONSIDERATIONS

2. The Education and Employment Directorate has supported the Apprenticeship programme for a number of years. Support for this programme is an investment in the islands future employees and contributes to the achievement of St. Helena's Strategic Objectives:

2.1. Improve education and training to increase opportunities for all citizens to achieve their full potential

and

2.2 Improve and Build capacity of St Helena's workforce through effective investment in education and training opportunities

Currently apprenticeship allowance rates are set according to the current minimum wage recommendations for 16-17 year olds and 18years+

Due to the current economic climate and the likelihood of reduced UK financial aid, a review of the apprenticeship allowances was requested by elected members during the MTEF process for Financial Year 2021 – 22. Elected members acknowledged the benefits of the Apprenticeship Programme to the development of the island's workforce but also recognized that some adjustment of allowance was needed in order for this to continue.

As a result a proposal was made to have a flat rate allowance for the Apprenticeship programme which could be in line with the lower rate of the minimum wage.

In addition, the initiatives of Corporate HR to employ apprentices within SHG under a different employment route highlighted the potential for confusion. As a result a suggestion was made to change the name for persons on our programme from apprentices to youth trainees.

FINANCIAL IMPLICATIONS

- 3. There will be financial implications in relation to this change and the continuation of the current programme as budget for the next financial year is yet to be agreed. It is likely that some current Year 2 apprentices will either see a decrease or a discontinuation of their**

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allowance as this is dependent on budget allocation to apprentices.

**ECONOMIC
IMPLICATIONS**

4. There will be economic implications if there is no budget allocated to apprentices as we will have the majority of the student school leaving cohort without employment or financial support which could have an effect on their family situation.

**CONSISTENCY
WITH
INVESTMENT
POLICY
PRINCIPLES**

5. The proposal to continue with the Apprenticeship Programme is in line with investment principles.

**PUBLIC / SOCIAL
IMPACT**

6. There is likely to be some public response and also social impact if the allowances for the current programme are stopped.

**ENVIRONMENTAL
IMPACT**

7. n/a

**PREVIOUS
CONSULTATION /
COMMITTEE
INPUT**

8. Apprenticeship rates were approved by Committee through the current Apprenticeship Policy.

**PUBLIC
REACTION**

9. There could be adverse public reaction if the allowance are discontinued.

PUBLICITY

10. Changes will be shared with key stakeholders and the wider public once approved.

**SUPPORT TO
STRATEGIC
OBJECTIVES
LINK TO
SUSTAINABLE
ECONOMIC
DEVELOPMENT
PLAN GOALS**

11. This paper supports the National Goal 2. ALTOGETHER BETTER FOR CHILDREN AND YOUNG PEOPLE

**OPEN /CLOSED
AGENDA ITEM**

OPEN

DATE OF MEMO

17 March 2021

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