

Annex 1: Transfer of Apprenticeship Levy Risk Assessment

No	Item of Risk	Inherent Risk		Control Measures	Control Measure Managed by	Residual Risk	
		Impact	Likelihood			Impact	Likelihood
1.0	Financial loss / reputational risk due to non-compliance or non-performance	Low	Low	<p>Performance Management: A Memorandum of Understanding (MOU) between BCC and GBSLEP will include GBSLEP delivery of a promotion campaign to generate employer interest to meet the performance plan. This will involve information webinars and links with umbrella bodies and training providers. Unspent giftable Levy funds will be returned to HM Treasury (as per current situation) - there are no financial penalties for under-delivery.</p> <p>The fund will be closely managed by GBSLEP and the Council on commitment levels and actuals, including frequent review of conversion to actuals, and decommitment as needed for non-delivery/unacceptable delays to manage in-year budgets. Review of funding priorities will be carried out every 6 months initially, then annually.</p> <p>Compliance management: Each apprenticeship funding agreement will be made between the employer and the Government through an online system, which significantly reduces the financial liability compared to an Accountable Body role.</p>	Employment & Skills, HR OD, GBSLEP	Low	Low
2.0	Poor quality apprenticeship jobs / training	Med	Low	<p>The Council and the LEP aim to enable high quality jobs and training through a combination of advice provided by GBSLEP Skills Hub, and an application form and appraisal process.</p> <p>The quality vetting process of the Hub (due diligence etc.) will ensure that the apprenticeship providers recommended have all met the quality thresholds required of this partnership. Final decisions will always be down to individual employers but Hub recommendations will ensure high quality delivery.</p> <p>Spot checks will be carried out with learners to ensure they are happy with the apprenticeship being provided.</p>	Employment & Skills, HR OD, GBSLEP	Med	Low
3.0	Leakage of benefit outside Birmingham	High	Med	<p>The Levy transfer fund will be available to non-levy paying employers across the GBSELP area, with the condition that Birmingham residents must be targeted for the apprenticeships. There will be an agreed plan per employer of how this will be achieved, including linking to local employment support services.</p>	Employment & Skills, GBSLEP	Med	Low
4.0	Larger non-levy paying organisations take all the capacity	High	Med	<p>Place initial cap on the number of apprenticeships each employer can apply for, and review after 6 months</p>	Employment & Skills, GBSLEP	Med	Low
5.0	Over demand, disappointing businesses	Med	Med	<p>Work with other Levy Funders to signpost where possible. Support employers to access the national Levy transfer scheme that is being developed, when it is fit for purpose.</p>	Employment & Skills, GBSLEP	Med	Low
2.1	Duplication of other Levy Funds	Med	Med	<p>Funding Strategy for Year 1 is wider than the WMCA funds, supporting more ages of residents and more sectors of business. Collaboration between funding programmes agreed with WMCA. Fund value and priorities to be reviewed every 6 months to avoid duplication.</p>	Employment & Skills, GBSLEP	Med	Low
6.0	Waste of public funds if employers should close	Med	Low	<p>The appraisal process will involve financial checks on employers to reduce risk of loss of funds. The process will require employers to advise GBSLEP if the apprenticeship ceases, in order that the payments be ceased in a timely manner, minimising overpayment management.</p>	Employment & Skills, GBSLEP	Med	Low