

Apprenticeship Reforms and Key Information for Employers

Apprenticeships benefit employers and individuals, and by boosting the skills of the workforce they help to improve economic productivity. The apprenticeship reforms will support an increase in the quality and quantity of apprenticeships so that more individuals have the chance to pursue a successful career – whether this is their first step on the employment ladder or progression within a current employer or sector.

The reforms give employers more control over designing, choosing and paying for apprenticeship training. The government will double the annual level of apprenticeship spending between 2010-11 and 2019-20 to £2.5bn, which will be funded by the new apprenticeship levy. The levy will be paid by employers with a pay bill of over £3m from April 2017, less than 2% of employers in the UK.

The new apprenticeship standards

The new standards put employers in control of designing apprenticeships, so people are equipped with the skills that meet the needs of their organisation. The reforms are:

- replacing the existing complex frameworks with short, simple, accessible apprenticeship standards describing the skills and knowledge that an individual needs to be fully competent in an occupation; and written by employers in a language they understand
- improving the quality of apprenticeships through higher expectations of English and maths, more rigorous testing to ensure the apprentice is fully competent and raising aspirations for apprentices by introducing grading at the end of the apprenticeship
- giving employers control of the funding so that they become more demanding customers

Over 200 Trailblazers involving more than 1400 employers with 260 standards have already been published (of which over 70 are higher and Degree Apprenticeships) and more than 180 new standards are in development.

The new apprenticeships are in a broad range of sectors from nuclear to fashion, law, banking and defence. There have been 4,200 starts on new standards in occupations such as Software Developer and Aerospace Engineer. The first apprenticeship starts on the new standards began in September 2014.

Guidance for employers on the standards development process as well as a list of approved standards and those in development are available at GOV.UK, search 'apprenticeship standards'.

The digital apprenticeship service

All employers in England will have access to a new, easy to use digital apprenticeship service that will help support them to manage their apprenticeship programme.

Functions for all employers

The following functions of the digital apprenticeship service are already available on GOV.UK to all employers:

- Through the **indicative online tool**, employers can estimate their levy contribution, begin to plan their training requirements and estimate their financial spending.
- **Find apprenticeship training** gives employers easy-to-digest information on the choices available to them. Employers can search for and find an appropriate standard or framework, a quality-assured training provider, and compare one provider with another.
- Through **recruit an apprentice**, training providers can post vacancies for apprenticeships and traineeships on behalf of employers. This will be opened up to employers at a later date.

For levy-paying employers

In addition to the functions available to all employers, from May 2017 levy-paying employers will be able to access funding for apprenticeships through their digital apprenticeship service account and:

- negotiate and pay for apprenticeship training and assessment
- manage their funding and apprentices, view their levy balance and plan their spending
- stop or pause payments (for example, if their apprentice stops their training, takes a break from training or the employer hasn't received the service agreed with the provider).

To access their funding, levy-paying employers will need to set up an account on the digital apprenticeship service from January using their Government Gateway ID and PAYE scheme details, which company payroll teams should have.

For non-levy paying employers

By 2020, all employers will be able to use the digital apprenticeship service to pay for training and assessment for apprenticeships. Until then, non-levy paying employers will be able to continue to negotiate and agree their apprenticeship programme with their chosen training provider.

90% of non-levy paying employers' apprenticeship training and assessment costs in England will be paid for by the government. The government will ask these employers to make a 10% contribution to the cost, paid directly to the provider, and the government covers the rest. This cost will be spread over the lifetime of the apprenticeship.

The government is offering additional support to organisations with fewer than 50 employees by paying 100% of training and assessment costs for their apprentices aged 16-18 and for those aged 19-24 formerly in care or with a local authority education, health and care plan.

For more information

WEBSITE: GOV.UK
CALL: 08000 150 600