

## Get on Board - New National Apprenticeship Arrangements

### A Guide for Schools

#### Introduction

The Government are reforming the way apprenticeships are offered and funded. This document provides an initial summary of what is happening when and how it affects schools.

We recognise that schools will have many questions and so a set of supporting FAQs is also attached. Where we don't yet have the detailed information we will be issuing further communications and engaging more directly with schools in due course. In the meantime, the DfE published guidance for schools on 14<sup>th</sup> March 2017, which you will find helpful. It can be accessed on the following link.

<https://www.gov.uk/government/publications/apprenticeships-reforms-guide-for-schools>

#### Summary

The Enterprise Act 2016 has introduced two key changes on apprenticeships effective from 6<sup>th</sup> April 2017:

- 1) The introduction of the Apprenticeship Levy
- 2) Public sector targets for all public sector organisations with more than 250 employees.

These national developments have created a new funding scheme for staff development through the levy, which can be applied to some existing staff as well as new recruits. This gives Schools an opportunity to increase their focus on creating attractive career paths and development opportunities.

The changes are effective from 6<sup>th</sup> April 2017 but won't fully take effect until 1<sup>st</sup> May 2017 as the Government will not make levy funding available until then. The Government has also decided that all locally maintained schools will be included in the levy and target for their relevant Council, in our case, North Yorkshire County Council (NYCC). Foundation and Voluntary Aided schools and Academies have different arrangements which are referenced below.

#### New Apprenticeships

An apprenticeship under the new arrangements can cover professional development from entry level right up to level 7 (Masters level) regardless of age. It is not restricted to young people. Schools are encouraged to identify eligible apprenticeships and access levy funding in order to support their workforce ambitions.

New apprenticeship standards are being developed nationally and they will gradually replace the current apprenticeship frameworks. In the meantime, the current frameworks can still be used with the levy as long as the apprenticeship starts after 1<sup>st</sup> May 2017. Any apprenticeships started before the 1<sup>st</sup> May 2017 will continue under the current framework model for the length of the apprenticeship and will not qualify for levy funding.

For further information click here:

<https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work>

Apprenticeships within schools are available in many job roles, including business administration, management, science and ICT technicians. Most support functions have relevant apprenticeship options. Early national work on developing a new Teaching Assistant apprenticeship standard is also underway, and there should be more news on this in late 2017. A Teaching apprenticeship reflecting the same standards as Initial Teacher Training programmes is also under development and is expected to be ready from September 2018.

Further information about what an apprentice is can be found on the following link:

<https://www.gov.uk/government/publications/apprenticeship-funding-from-may-2017>

## **Apprenticeship Levy**

As of 6<sup>th</sup> April a levy of 0.5% of annual paybill will be paid to HMRC monthly pro rata by all organisations with a paybill exceeding £3 million per year. The government will apply a 10% monthly top up to levy funds so every £1 of the levy will be increased to £1.10 in value. The levy money plus the Government's 10% top up will be held within a 'DAS digital online account' (see below) and will remain there for 24 months, and if the monies are not drawn down within that timescale they will automatically default to the Treasury.

### ***Locally Maintained Schools***

North Yorkshire County Council is the levy payer. The Government has decided that NYCC's pay bill will include that of locally maintained schools, as NYCC is the employer, and as such the Council is responsible for paying the levy for such schools to HMRC every month. As already communicated in the school budget letter 2017/18 sent to schools on 16<sup>th</sup> February and through the North Yorkshire Education Partnership, the Council will be obliged to pass on the cost of the levy to each locally maintained school (including Voluntary Controlled), proportionate to their paybill, via a monthly recharge mechanism. The Council's schools finance team are working on this and further details will be available shortly.

### ***Foundation and Voluntary Aided schools, Academies & Multi Academy Trusts***

Foundation and Voluntary Aided schools, and Academies, who typically employ their own staff are considered by the Government to be separate organisations and they will be directly responsible for paying their own levy, where their individual paybill exceeds £3 million p.a. If you are such a school you will need to arrange the payment of your levy with your payroll provider. Where North Yorkshire County Council is your payroll provider then we should automatically receive a levy demand from HMRC on your behalf and will make the deductions for you using your PAYE number.

Foundation and Voluntary Aided schools, and Academies with paybills less than £3m p.a. will not be levy payers, and can access apprenticeships directly through the Skills Funding Agency (SFA). The Government will provide 90% of the costs and the school will need to provide 10% of the costs. Where the County Council is your payroll provider we have tagged your school within the payroll system so you won't pay the levy.

## Digital Apprenticeship Service (DAS)

The DAS system is an online portal, and every month effective from 6<sup>th</sup> April 2017 the levy collected by HMRC from levy payers will be transferred by them into a Digital Apprenticeship Service (DAS) account held by the SFA. Government have advised that the first such transfer will be on 1st May 2017. The levy can only be drawn on for funding apprenticeship training and assessment, and cannot be used for apprentice salaries and associated costs. The levy will be retained within the DAS system and will not be held within schools' budgets.

A list of Apprenticeship Providers approved by the SFA - just published on 13<sup>th</sup> March 2017 - is also held within the DAS portal. This is an approved list of Providers but is not a Government Framework Contract.

### ***Locally Maintained Schools***

As locally maintained schools are included in NYCC's levy, the Council has opened a DAS digital account which will include arrangements for your school. Now that the SFA list of approved providers has also been published, we will consult schools shortly about what your apprenticeships needs are and attempt to match providers by schools preferences and locality. This will inform our choice of suppliers. Further details on how this will work in practice and how you can access funding will be sent out in due course.

### ***Foundation and Voluntary Aided schools, Academies & Multi Academy Trusts***

Schools that are levy payers will need to open their own DAS digital account. In addition, all schools whether they pay the levy or not will need to use the SFA list of approved providers rather than making their own arrangements. Levy payers will need to use their own procurement rules to retain providers from the SFA list appropriate to the apprenticeships they want to run. Again more details will be published in due course.

## Using the Levy

The levy is to be spent on training with a registered training provider (the providers are listed in DAS). How much you can draw down depends on the standard or framework the apprentice is starting on. The government has published funding bands which it is advised where possible we work within. Any cost of training in excess of the funding band would have to be paid for directly by schools.

Please see here for further detail

<https://www.gov.uk/government/publications/apprenticeship-funding-bands>

The levy is available for new apprenticeship starts, which can be new recruits or existing staff. Existing staff of all age groups are eligible, in roles from entry level up to and including degree level, but only where significant new skills and knowledge development is required. We don't have to call staff apprentices, just evidence that they are on an approved apprenticeship programme to draw on the levy.

## Public Sector Target

Delivering three million apprenticeships by 2020 is a key priority for the Government. Whilst all sectors are encouraged to start apprenticeships the Government wants to ensure that the public sector is a model employer in this regard and leads by example.

The target would be for a minimum of 2.3% apprenticeship starts each year. Following consultation the government have confirmed that Local Authority maintained schools are included in their Council's target.

Other schools will be treated separately and only those organisations with a workforce of 250 or more in England will be in scope. Further details can be found here [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/584246/Apprenticeship\\_targets\\_for\\_public\\_sector\\_bodies\\_government\\_consultation\\_response.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/584246/Apprenticeship_targets_for_public_sector_bodies_government_consultation_response.pdf) For example, a school with 300 employees would have to start 7 apprentices a year in order to meet the target. A multi-academy trust with 500 employees would have to make 12 apprentice starts a year to meet its target.

### **Next Steps**

To be able to understand the apprenticeship needs within locally maintained schools NYCC will be conducting an on line survey shortly to identify roles and types of apprenticeships needed which will help us to match suppliers to schools by locality.

As North Yorkshire County Council has been approved by the Skills Funding Agency as a 'Main Provider' of new apprenticeships, we can also deliver apprenticeships to all Locally Maintained and Voluntary Aided Schools, and Academies, as well as the wider market.

Again we will be in touch with Voluntary Aided Schools and Academies in due course to determine your interest.

We will also attend the Admin & Finance Conference in June 2017 and will continue to post information online onto 'CYPS Info', and communicate via the 'Red Bag'.

### **Queries**

In the meantime if you have any general queries please contact the Schools HR Advisory Team on [schoolshradvisory@northyorks.gov.uk](mailto:schoolshradvisory@northyorks.gov.uk) or ring 01609 - 798343. The team will collate enquiries and liaise with the Corporate Workforce Development team to respond.

***Workforce Development  
North Yorkshire County Council  
16<sup>th</sup> March 2017***

## Key facts on Apprenticeships for Schools - F.A.Qs

<b>What is an apprenticeship?</b>	An apprenticeship is a job with training
<b>Who is it for?</b>	<p>Apprenticeships are available to anyone over the age of 16 living in England. They can be undertaken by both new recruits or existing members of your team for:</p> <ul style="list-style-type: none"> <li>• <b>Building the talent pipeline:</b> apprenticeships can be used either for new recruitment or to develop internal talent to fill critical skills gaps.</li> <li>• <b>Developing existing staff:</b> Apprenticeships offer a route for anyone who needs to develop new skills due to changes in job roles or job requirements, provided the school has identified a service need to acquire new skills.</li> </ul>
<b>How long does it last?</b>	The minimum length is 12 months, but can last up to 4 years depending on the level of qualification. Where staff work part time, (min 16 hours per week) the length of the apprenticeship is increased proportionately.
<b>Is it a paid job?</b>	Yes. You must pay the apprentice at least the national minimum apprenticeship wage, and if you are a locally maintained school you must pay in accordance with the existing North Yorkshire County Council pay policy and banding, including the existing entry level apprenticeship salary. Existing members of staff will continued to be paid on their normal salary in their current job, unless they are applying for a new job role under the apprenticeship scheme, then they will be paid the rate determined for that post.
<b>How many hours?</b>	Apprentices or existing staff undertaking approved apprenticeship training should be employed for 30+ hours a week and must work alongside experienced staff. If you employ someone part time, the minimum hours is 16 hours per week. If you employ someone on less than 30 hours the length of the apprenticeship program must be extended pro-rata.
<b>How much study time is required?</b>	All apprentices, including existing staff undertaking apprenticeship training, must have a minimum of 20% off the job training related to the job role and skills.
<b>What counts as off the job training?</b>	Training and development which is a requirement for the job role and apprenticeship award is what counts. This generally means being given protected time away from their normal duties, it could include attending college, undertaking online learning or attending relevant training courses. Off the job training could still be within the workplace.

<p><b>What level of apprenticeships are available?</b></p>	<p>There are various levels of apprenticeships someone can undertake depending on the current skills and qualifications of the individual. Apprenticeships have equivalent educational attainment levels:</p> <table border="1" data-bbox="571 327 1374 636"> <tr> <td data-bbox="571 327 799 398">Intermediate</td> <td data-bbox="799 327 1374 398">Level 2 - equivalent to studying for up to 5 GCSEs.</td> </tr> <tr> <td data-bbox="571 398 799 465">Advanced</td> <td data-bbox="799 398 1374 465">Level 3 - equivalent to studying for 2 A levels.</td> </tr> <tr> <td data-bbox="571 465 799 566">Higher</td> <td data-bbox="799 465 1374 566">Levels 4, 5; equivalent taking a level 4 NVQ, Higher National Diploma or Foundation Degree.</td> </tr> <tr> <td data-bbox="571 566 799 636">Degree</td> <td data-bbox="799 566 1374 636">Levels 6, 7; equivalent to a Bachelor's or Master's degree.</td> </tr> </table>	Intermediate	Level 2 - equivalent to studying for up to 5 GCSEs.	Advanced	Level 3 - equivalent to studying for 2 A levels.	Higher	Levels 4, 5; equivalent taking a level 4 NVQ, Higher National Diploma or Foundation Degree.	Degree	Levels 6, 7; equivalent to a Bachelor's or Master's degree.
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<p><b>What are the Key Terms &amp; Conditions for an apprentice?</b></p>	<p>An apprentice should be treated like any other employee</p> <ul style="list-style-type: none"> <li>• However, apprentices have to have 20% off the job paid training and development time</li> <li>• Agree and sign a learning agreement (this is in addition to their terms and conditions)</li> </ul>								
<p><b>What are the Schools' roles and responsibilities?</b></p>	<p>As a Headteacher, or other schools manager, supporting a new apprentice or an existing member of staff undertaking apprenticeship training you will need to agree to:</p> <ul style="list-style-type: none"> <li>• Providing an appropriate induction</li> <li>• The associated roles and responsibilities of being responsible for an apprentice and your requirements throughout the journey of the apprenticeship</li> <li>• Timeframes for the completion of the apprenticeship program e.g. the qualification</li> <li>• Time allocations to training and development (minimum 20% off the job training)</li> <li>• Keep in touch with the Training provider on a regular basis to monitor and review progress and act on any additional needs that the apprentices may present</li> <li>• Sign an Individual Learning Plan with the apprentice and Training provider</li> <li>• Access to the school for the training provider/assessor to observe the candidate and feedback</li> <li>• Regular catch ups and / or supervision with the apprentice</li> <li>• Identify a mentor to support the apprentice day to day ( if applicable)</li> <li>• Assist in the end-point assessment with the independent assessor</li> <li>• Raise any concerns with the appropriate personnel</li> </ul>								
<p><b>So, what is the Apprenticeship levy?</b></p>	<p>The Government has imposed an annual levy on all employers operating in the UK, with a pay bill over £3 million each year, to invest in apprenticeships. This levy is 0.5% of total pay bill and HMRC will collect this on a monthly basis. The Government will then provide a 10% top up to spend on apprenticeship training and assessment only.</p>								

	<p>The funding will sit in a Digital Online Account provided by the Skills Funding Agency, which will be managed by employers through the Digital Apprenticeship Service (DAS). The funding can only be spent on an individual undertaking an approved apprenticeship program. For more information visit:</p> <p><a href="https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work">https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work</a></p>
<b>Why is this levy being introduced?</b>	<p>The government is committed to boosting productivity by investing in people. As part of this, the government is committed to developing vocational skills, and to increasing the quantity and quality of apprenticeships. It has committed to an additional 3 million apprenticeship starts by England by 2020. The levy will help to deliver new apprenticeships and it will support quality training by putting employers at the centre of the system. Employers who are committed to training will be able to get back more than they put in by training sufficient numbers of apprentices.</p>
<b>When will this be introduced?</b>	<p>Levy deductions by HMRC will start on 6<sup>th</sup> April 2017.</p>
<b>When can we start drawing down the levy?</b>	<p>HMRC will deposit levy deductions into the Digital Online Account so it is available to pay for statutory approved apprenticeships from 1<sup>st</sup> May 2017.</p>
<b>Providers</b>	<p>An approved providers list was published by the Skills Funding Agency on 13<sup>th</sup> March 2017. All schools must use approved providers.</p>
<b>What can we use the apprenticeship levy fund for?</b>	<p>The Apprenticeship Levy can only be spent on those undertaking a statutory approved apprentice program (this could be a standard or framework) and delivered and assessed by an approved training and assessment provider. This includes both new staff and existing staff. However you can only use the funding for developing existing staff where <u>significant</u> new skills &amp; knowledge development is required. For example, you may have someone who has a degree in one area, but the job they are doing is considerably different and they require a new set of knowledge and skills. In this instance you could use the levy to fund either a lower or same level qualification in the new occupational area. However, you can't use the levy just to gain a qualification.</p>
<b>What can I not use the levy for?</b>	<p>The Regulations stipulate that you <u>cannot</u> use the apprentice levy to fund qualifications or training which is not a statutory approved apprenticeship standard or framework. In addition the funding cannot be used to fund:</p> <ul style="list-style-type: none"> <li>• Apprentice salary and on costs</li> <li>• Travel and subsistence costs</li> <li>• Managerial costs</li> <li>• Traineeships</li> <li>• Work placement programmes</li> <li>• Covering the costs of setting up your apprenticeship programme</li> </ul>

<p><b>What is an apprenticeship framework or standard?</b></p>	<p>There are currently two different types of apprenticeship training that you can choose from:</p> <ul style="list-style-type: none"> <li>• <b>New Apprenticeship Standards</b> - each standard covers a specific job role and sets out the core skills, knowledge and behaviours an apprentice will need to be fully competent in their job role and meet the needs of employers.</li> <li>• <b>Current Apprenticeship Frameworks</b> – a series of work-related vocational and professional qualifications, with workplace and classroom based training.</li> </ul> <p>By 2020, nearly all frameworks will have been replaced by employer-led standards.</p>
<p><b>How will I know which standard or framework will best meet our workforce needs?</b></p>	<p>A list of current frameworks and standards can be found here:  For current frameworks:  <a href="http://www.afo.sscalliance.org/frameworkslibrary/index.cfm">http://www.afo.sscalliance.org/frameworkslibrary/index.cfm</a>  For new standards:  <a href="https://www.gov.uk/government/collections/apprenticeship-standards">https://www.gov.uk/government/collections/apprenticeship-standards</a></p>
<p><b>What benefits will taking on an apprenticeship bring to my team?</b></p>	<p>Many organisations are realising the value of apprenticeships and on the job training as a means of improving their services. Employers have reported benefits including: the introduction of new ideas to their business, improved staff morale and better staff retention. In addition, by offering apprenticeships you can:</p> <ul style="list-style-type: none"> <li>• Grow your team while keeping costs down.</li> <li>• Develop new recruits to meet your needs.</li> <li>• Free up time for your existing employees to work on other projects.</li> <li>• Give your team new skills and energy.</li> <li>• Develop the skills on your team in a cost effective way.</li> <li>• Encourage employee loyalty</li> </ul>
<p><b>Need more information?</b></p>	<p>Please also read the apprenticeship reforms documentation in the links provided. Otherwise for further information contact your allocated Schools HR Adviser on:  <a href="mailto:schoolshradvisory@northyorks.gov.uk">schoolshradvisory@northyorks.gov.uk</a> or ring 01609 - 798343.</p>

**Workforce Development  
North Yorkshire County Council  
16<sup>th</sup> March 2017**