

**THE NEW APPRENTICESHIPS**

# A complete guide for employers

Everything you need to know about  
the new standards, employer levy,  
funding and more



# About this guide



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This guide is designed to provide you with information about how an apprentice can benefit your organisation. We also give you an overview of how apprenticeships work, how they are funded, both levy and non-levy and how you can employ an apprentice.

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To find out more, contact the Apprenticeships team or visit our website for more details:

 [chichester.ac.uk/employers](http://chichester.ac.uk/employers)

 01243 812948

# Why choose Chichester College as your training provider?



**TRUSTED**

We have provided training for students and employers since 1964 and now train more than 1,000 apprentices a year. Since we opened, we have been listening to employers and working with them to provide the training that they want. Today, we continue to be at the forefront of vocational training as we continue to work with business to understand their skill gaps and training needs.



**FLEXIBLE SERVICE**

As your training provider, we will work with you to ensure that our training fits in around you. We cater for a range of industries and support your business with tailored apprenticeships - if you can't find what you need, we may be able to design a bespoke programme that meets your needs.



**DEDICATED SUPPORT**

From the moment you get in touch, we provide support and advice for you and your apprentice every step of the way. We take our commitment to you seriously, and hold regular events to help you through the apprenticeship journey and any changes that could affect you.



**INDUSTRY EXPERTS**

Graded as 'Outstanding' by Ofsted for our apprenticeship provision, our staff are industry experts in their fields. They work closely with employers to ensure that our training is up-to-date and relevant to your business. We have excellent teaching facilities at both of our campuses, ensuring that vocational courses are taught in the right settings.



**HIGH GAIN**

Success rates are exceptionally high for apprentices at Chichester College and are consistently above the national average. Our apprentices are award-winning in their fields, picking up a host of national accolades. Recent successes include Lucie Budgen, who was named Apprentice of the Year in 2016 by CACHE (the Council for Awards in Care, Health and Education) and Ewan McGregor, who came second in the HIP UK Heating Apprentice of the Year national finals.

We are in an ideal location to deliver apprentice training across the South East, with campuses in Chichester and Brinsbury, near Pulborough. We can also bring training to you.

## SERVICES FOR BUSINESSES:

- ➔ Training
- ➔ Qualifications
- ➔ Apprentices

## WE ALSO OFFER THE FOLLOWING FREE SERVICES FOR BUSINESS:

- ➔ Help to access financial support
- ➔ Training needs analysis
- ➔ Apprentice recruitment service
- ➔ Health & Safety assessments
- ➔ Ongoing dedicated support and specialist advice



# What are apprenticeships and how will they benefit my organisation?

## APPRENTICESHIPS ARE WORK-BASED

### TRAINING PROGRAMMES

Your employees gain nationally recognised qualifications that are relevant to their role in the workplace and your business gains a highly skilled employee.

The apprentice will be employed by you for at least 30 hours per week (in most circumstances) and be paid a minimum of £3.50 per hour (as of 1 April 2017). Training will be on-the-job combined with training by the college which could involve one day a week at the college, block release or entirely in the workplace.

[gov.uk/national-minimum-wage-rates](http://gov.uk/national-minimum-wage-rates)

## DID YOU KNOW HAVING AN APPRENTICE DOESN'T

### HAVE TO MEAN HIRING A NEW MEMBER OF STAFF?

Your existing employees – of any age or level of experience – can access apprenticeship programmes too.

It's a great way for your employees to develop their careers and qualifications, while helping you to improve productivity, boost staff morale and improve employee retention.

## APPRENTICE TRAINING CAN BE DELIVERED AT THREE LEVELS:

- ➔ Intermediate - Level 2  
Equivalent to five GCSEs at grades A\* - C
- ➔ Advanced - Level 3  
Equivalent to two A-levels
- ➔ Higher - Level 4 and above  
Equivalent to Foundation Degree

Apprentices can also progress between levels and beyond.



## WE ARE A FLEXIBLE, MARKET-LED COLLEGE

As a flexible, market-led college, we are always looking to expand what we can offer businesses. It is important to us that we can give our clients what they want, so if you have an apprenticeship need that isn't listed, please contact us and we'll explore the possibility of creating an apprenticeship that is bespoke for you.





## DO YOU HAVE APPRENTICESHIPS

### FOR MY INDUSTRY?

Chichester College offers a wide choice of apprenticeships across seven key sectors of business and industry:

-  **BUSINESS, IT AND MANAGEMENT**
-  **CONSTRUCTION**
-  **CREATIVE AND CULTURAL**
-  **ENGINEERING AND MOTOR VEHICLE**
-  **HEALTH, CARE AND EARLY YEARS**
-  **HORTICULTURE AND ANIMAL CARE**
-  **SERVICE INDUSTRIES**

### HAVING AN APPRENTICE CAN:

-  Improve productivity
-  Fill skills gaps, including specialist skills specific to your industry
-  Make your business more competitive
-  Reduce training costs
-  Reduce recruitment costs
-  Assist with succession planning
-  Motivate staff and reduce staff turnover
-  Provide a significant return on investment



# Why are apprenticeships changing?

## THE NEW APPRENTICESHIP STANDARDS

By 2020, the current Specification of Apprenticeship Standards for England (SASE) will be replaced by new apprenticeship standards.

These have been designed by industry experts and directly address the relevant skills, behaviour and knowledge needed for specific job roles.

The standards will be externally assessed by a centre which is independent from the training provider, and will be agreed before you commit to recruiting an apprentice.

With all of the new apprenticeship standards, there will be a contract in place which outlines the agreement of training between the employer and provider.

All standards will be assessed at the end of the apprenticeship, rather than assessed throughout the duration of the course.

You can find out more about the standards and their development on the Government website:

[gov.uk/government/publications/apprenticeship-standards-ready-for-delivery](https://www.gov.uk/government/publications/apprenticeship-standards-ready-for-delivery)



In 2017, apprenticeships across the country will be changing to meet new standards being introduced by the government as part of its commitment to achieving three million apprentices by 2020.





## WHAT ARE THE CHANGES?

The new apprenticeship standards are employer led, designed to give businesses greater control to set the skills needed for their industry. They will offer employers of all sizes and industries, the opportunity to shape the training needed to meet their business needs.

## WHY IS THE GOVERNMENT MAKING CHANGES?

In 2012 the government set a target to achieve three million apprenticeships by 2020. These reforms are a way to engage employers of all sizes to recruit apprentices and are designed to improve the quality of training, apprenticeship opportunities and outcomes for both businesses and learners.

## HOW IS THIS BEING IMPLEMENTED?

Short, concise standards will replace long, complex framework. They will be assessed at the end of an apprenticeship but an independent centre, which is separate to the employer and training provider.

There will be a capped level of funding, as well as the introduction of an apprenticeship levy for larger employers. There will also be a co-funded model between government and employers.

## WHEN WILL THE CHANGES COME INTO EFFECT?

The apprenticeship levy will start in April 2017, for employers with a payroll of more than £3 million (see page 8 for more information). At the same time, the co-funded model will be introduced. The current apprenticeship frameworks will be replaced by the new standards by 2020.

## DID YOU KNOW?

83% of organisations who employ apprentices rely on their apprenticeship programme to provide the skilled workers they need for the future

81% of consumers favour using a company which takes on apprentices

1 in 5 employers are hiring more apprentices to help them through the tough economic climate

More than 100,000 organisations currently use apprenticeships to attract new talent and re-skill existing staff

Information provided by National Apprenticeship Service research



# The new funding model



## THE APPRENTICESHIP

## LEVY

From April 2017, an apprenticeship levy will be introduced to all employers with an annual UK pay bill of more than £3 million.

Set by government, this means all employers who fall into this category, regardless of industry or the number of employees, will be required to pay 0.5% of payroll costs into a levy which will be invested into funding apprenticeships.

There is a levy allowance of £15,000 per year, which will be subtracted from your levy sum.



### EXAMPLE LEVY CALCULATION FOR A £5 MILLION PAY BILL

**Levy Sum:**  
 $0.5\% \times \text{£}5 \text{ million} = \text{£}25,000$

**Subtract levy allowance:**  
 $\text{£}25,000 - \text{£}15,000 = \text{£}10,000$   
 annual levy payment

You can estimate your levy amount on the GOV.UK website:

[estimate-my-apprenticeship-funding.sfa.bis.gov.uk](http://estimate-my-apprenticeship-funding.sfa.bis.gov.uk)

## If your PAYE is £3 million or more you are a levy payer

### CAN I OPT OUT OF THE LEVY?

No, this is mandatory.

### HOW WILL THE LEVY

### BE COLLECTED?

Your levy will be collected by PAYE via HMRC on a monthly basis and will be placed in a apprenticeship service account.

You will have full access to your apprenticeship service account, enabling you to track and forecast your future levy spend. Single employers with multiple PAYE schemes will only have one levy allowance collected.

### WHAT ARE TOP UPS AND

### HOW DO THEY WORK?

The government will apply a 10% top-up to monthly funds entering levy paying employers apprenticeship service account. This will mean that all funds entering a levy payers account will be increased e.g. every £1 will be increased to £1.10 in value.

### IS THE 0.5% GROSS OR NET?

Gross.

### CAN I CHOOSE HOW

### I SPEND MY LEVY?

You can only use your levy by spending it on training for apprenticeships.

When you access training, the funds will be transferred from your Apprenticeship service account to your chosen training provider. Funding support for maths and English development will be provided by the government and will not be taken from your Apprenticeship service account.

### CAN I USE MY LEVY FUND

### FOR OTHER TRAINING?

No, it can only be used for government published apprenticeship standards or frameworks, it cannot be spent on any other training.

### WHAT IF MY APPRENTICESHIP

### TRAINING COSTS ARE HIGHER

### THAN MY LEVY PAYMENTS?

Once you have spent your levy, your organisation will revert to the co-funded model whereby you pay 10% of the training costs and the Government provides the remaining 90%.

### WHAT IF MY APPRENTICESHIP

### ISN'T ON THE

### APPRENTICESHIP STANDARD

### LIST, IS IT STILL REDEEMABLE

### AGAINST THE LEVY?

All standards and frameworks are redeemable against your levy. However, frameworks will be funded



at a lower rate meaning this will absorb less of your levy total.

**CAN I USE THE LEVY FUNDS TO OFFER APPRENTICESHIPS TO MY EXISTING STAFF?**

Yes, as long as the apprenticeship is relevant to their job role, meets the requirements set by the Skills Funding Agency and is the most appropriate route to develop their skills and career.

**HOW LONG DO I HAVE TO CLAIM BACK MY LEVY FUND?**

You will have 24 months to spend the money in your apprenticeship service account, after this time the funds will expire.

**WHAT NEXT?**

You can find more information about the levy and how it works on the government website: [gov.uk/guidance/pay-apprenticeship-levy](http://gov.uk/guidance/pay-apprenticeship-levy)

Contact the Chichester College apprenticeship sales team to start planning how you will use your levy and let us develop bespoke packages that meet your needs.

 [business@chichester.ac.uk](mailto:business@chichester.ac.uk)  
 **01243 812948**

**If your PAYE is under £3 million you will not have to pay a levy**

If you are an employer with a payroll of less than £3 million per year, you will not pay into the apprenticeship levy.

**IS FUNDING AVAILABLE?**

The new funding model will come into effect in May 2017 and non-levy paying employers may be likely to contribute towards the cost of your apprenticeship training.

The co-funding ratio between government and employers will be 9:1 of the total value of the apprenticeship, which means you would contribute 10% of the total cost. The cost of an apprenticeship will depend on several factors, such as the apprenticeship subject and level, and may be negotiable.

All standards and frameworks will be placed within a capped model of funding, ranging from £1,500-£27,000 and this will determine the maximum amount that the government will contribute.

Employers with less than 50 employees will not have to pay a contribution towards the training of a 16-18 year old apprentice.

There is an incentive of up to £1,000 available for employers who hire a 16-18 year old apprentice or an apprentice aged 19-24 with an Education Health and Care Plan or who were formerly in care.

**WHAT NEXT?**

You can find more information about the changes to apprenticeships on the government website: [gov.uk/guidance/pay-apprenticeship-levy](http://gov.uk/guidance/pay-apprenticeship-levy)

Contact the Chichester College apprenticeship sales team to start planning your apprentice training needs and get one-to-one training advice.

 [business@chichester.ac.uk](mailto:business@chichester.ac.uk)  
 **01243 812948**



# What are my next steps?

## HOW CAN I RECRUIT AN APPRENTICE?

### 1 DISCUSS YOUR NEEDS WITH A MEMBER OF OUR APPRENTICESHIP TEAM

We will help you to choose the best options for your organisation, and give you all the information you need, including funding details.

### 2 START THE RECRUITMENT PROCESS

We will help you to find the best match for your organisation and assist with recruitment, including role profiles and job descriptions, advertising, candidate matching and interviewing.

### 3 YOU CHOOSE YOUR IDEAL CANDIDATE AND THE APPRENTICESHIP BEGINS!

## CAN EXISTING EMPLOYEES BECOME APPRENTICES?

Yes. Apprenticeships are a valuable and cost effective way of training or developing existing employees.

### FAQ'S

#### Are there any age restrictions for the apprentice to be eligible for the new funding?

No, you can use the funds to train an apprentice of any age from 16 years, meaning you could use the funds to develop your existing staff, or recruit a new team member.

#### Am I required to give my apprentice time off work to study?

Yes, however, off-the-job training is defined as learning which is undertaken outside of the normal day-to-day working environment

and leads towards the achievement of the apprenticeship. This can include training that is delivered at the apprentice's normal place of work but must not be delivered as part of their normal working duties.

#### Do I have to use 'Apprentice' in the job title of my member of staff?

Not necessarily, this is down to your own organisation. However, each apprentice must have:

- 1 A Contract of Employment which is long enough for them to complete the apprenticeship successfully.
- 2 An Apprenticeship Agreement with the apprentice at the start of, and throughout, their apprenticeship, as defined in the Apprenticeships, Skills, Children and Learning Act 2009.
- 3 A Commitment Statement signed by the Employer, the Main Provider and the Apprentice (and a parent or guardian if the apprentice is under 18).

## WANT TO KNOW MORE?

Contact us to find out all you need to know about apprenticeships and help in choosing the right option for you.

For more details or to discuss contact the apprenticeship sales team or visit our website:

 [business@chichester.ac.uk](mailto:business@chichester.ac.uk)

 01243 812948

 [chichester.ac.uk/employers](http://chichester.ac.uk/employers)

## USEFUL WEBSITE LINKS

[gov.uk/topic/further-education-skills/apprenticeships](http://gov.uk/topic/further-education-skills/apprenticeships)

[gov.uk/government/publications/apprenticeship-recruitment-employers-and-training-organisations](http://gov.uk/government/publications/apprenticeship-recruitment-employers-and-training-organisations)

[gov.uk/guidance/build-an-apprenticeship-programme-small-to-medium-sized-employers](http://gov.uk/guidance/build-an-apprenticeship-programme-small-to-medium-sized-employers)

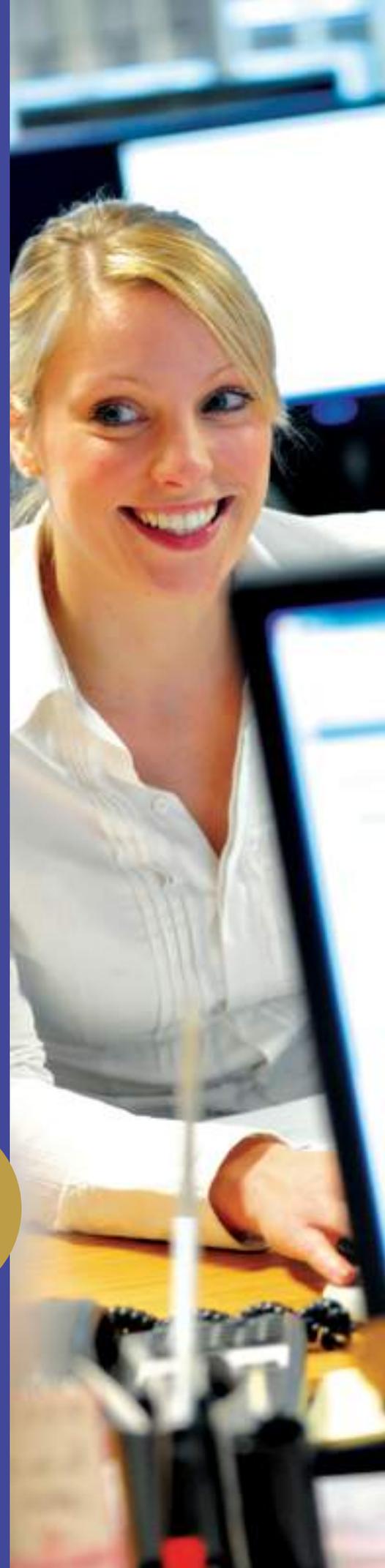
[gov.uk/guidance/pay-apprenticeship-levy](http://gov.uk/guidance/pay-apprenticeship-levy)

[gov.uk/guidance/manage-apprenticeship-funds](http://gov.uk/guidance/manage-apprenticeship-funds)



### DISCLAIMER

The information in this brochure is accurate at the time of print (Spring 2017). It is subject to change and further government updates. For the latest information, visit the government website at [gov.uk](http://gov.uk) or contact our apprenticeship sales team. They can update you on any changes or developments.





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## Connect with Chichester College

-  @chichester\_biz
  -  [business@chichester.ac.uk](mailto:business@chichester.ac.uk)
  -  [chichester.ac.uk/employers](http://chichester.ac.uk/employers)
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### Chichester Campus

Westgate Fields, Chichester, West Sussex, PO19 1SB

### Brinsbury Campus

North Heath, Pulborough, West Sussex, RH20 1DL

