

# **Apprenticeship Funding: Rules & Guidance for Employers**

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# Important to Note

- These rules form an agreement with government
- Breach of this agreement , SFA reserves right to take action



# CHECKLIST



# Do I have a genuine job for this apprentice ?

- Contract of employment
- Cost of wages must be met by the employer
- A job role which provides them the opportunity for them to gain knowledge, skills and behaviours
- Appropriate support to carry out their role
- On completion of apprenticeship the apprentice should remain with you where job opportunity continues to exist



# Is the Apprentice Eligible?

- Right to work in England
- A citizen of a country within EEA or have right of abode in UK and have been ordinarily resident in the EEA for at least 3 previous years
- A non EEA citizen with permission to live in UK (not for educational purposes) and have been resident for at least 3 previous years
- Spend at least 50% of their working hours in England



# Is the Apprentice Eligible? (cont)

- Apprentice must work for you or a connected company
- Start their apprenticeship after the last Friday in June of the academic year in which they have their 16th birthday
- Know they are able to complete
- Not be enrolled on another apprenticeship
- Not be asked to contribute financially



# Positive change

- Allowed to undertake an apprenticeship at
  - Higher level
  - Same level
  - Lower level
- Must demonstrate that
  - Apprentice will acquire substantive new skills
  - The content of the training is materially different from any prior qualification or a previous apprenticeship.



# The apprentice

- Apprenticeship agreement
- Check they are on the correct wage
- Check their progress during programme





# Apprenticeship Duration

- Minimum of 1 year
- For standards end point assessment can only be taken after minimum duration
- Must be in learning during this period
- These numbers based on apprentice working a minimum 30 hour week
- Complete apprenticeship within working hours – includes English & maths



# Part Time Working

- Provider must
  - Record agreed average number of hours
  - Evidence why this working pattern is needed
  - Extend minimum duration using the formula  
$$12 \times 30 / \text{average weekly hours} = \text{new min duration in months}$$
- Zero hours contracts allowed if all other criteria met



# Training Provider

- Agree a price
- Must include End Point Assessment which you agree with the Apprentice Assessment Organisation
- Ensure they take account prior learning
- Check duration
- Commitment statement signed by the provider, by the apprentice & by the employer



# Commitment Statement

- Planned content & schedule of training
- What is expected of employer, apprentice and training provider
- Process for resolving queries
- Employer must set out how they will support the successful achievement of apprenticeship
- If a levy payer – must be within the contract for services



# Digital Account

- Record the apprenticeship and the apprentice details



# Evidence to give to Provider

- Apprentice's employment
- Apprentice's average weekly hours
- Apprenticeship agreement/ contract of employment/ letter of engagement
- 20% of time must be on off the job training
- Any changes to working patterns
- Apprentice characteristics (e.g. age) when claiming additional payments
- Apprentices eligibility



# Off the job training

Definition: Learning which is undertaken outside of the normal day-to-day working environment and leads towards the achievement of the apprenticeship



# Off the Job Training

## **Includes**

- Teaching of theory
- Practical training: shadowing, mentoring, industry visits & attendance at competitions
- Learning support and time spent writing assessments/ assignments

## **Excludes**

- English & Maths
- Progress reviews
- On-programme assessment
- Training which takes place outside the apprentice's normal working hours





# What your funds cannot be used for

- Initial diagnostic testing
- Travel costs for apprentices
- Apprentices' wages
- PPE & safety equipment
- Any training/modules/etc not needed to achieve apprenticeship
- Training/assessment/exams etc required to acquire license to practice even if part of apprenticeship



# What your funds cannot be used for (cont.)

- English & Maths
- Re-sits for mandatory qualifications or the end-point assessment needed for the apprenticeship where no additional learning is needed
- Registration, examination & certification costs for non mandatory qualifications
- Accommodation costs
- Capital purchases or their maintenance
- Time spent by employees supporting or mentoring apprentices



# Additional Payments

- £1000 to provider and £1000 to employer
- If apprentice is
  - Aged between 16 and 18
  - A child in care or a former eligible child(16-25)
  - An adult with an education, health and care plan (19-24)
- Payments made at 90 days and 365 days
- Paid via provider



# Small Employers

- Exemption from employer contribution if
  - Apprentice aged 16-18 or
  - Apprentice aged 19-24 and has a local authority education, health and care plan
- AND
- Employs fewer than 50 people on average for 365 days prior to apprentice start
- Calculation is **average number of employees with a contract of employment in the 365 days before the apprentice is recruited  $\leq 49$**



# AGE Grant

- Only applies to apprentices starting prior to 1 August 2017
- Only applies to non levy payers
- < 50 employees
- 16 – 24 year old apprentice



# English & Maths

- Funded directly by government
- Will fund level 1 if initial assessment demonstrates they could not do level 2
- For level 2 apprenticeships apprentice must
  - Achieve level 1 English & Maths
  - Start, continue to study and take the test for level 2 (but do not have to achieve)



# End Point Assessment

- Only applies to standards
- Assessment costs include costs associated with external quality assurance
- Employer negotiate costs of end point assessment, including arrangements for retakes and payments
- Usually not more than 20% of total agreed price
- Contract is held by provider



# Mergers & Acquisitions

If your organisation is subject to structural changes, including mergers and acquisitions, you must follow specific rules relating to the management of the digital account. These will be published separately.





# Additional Documents

- Changes to the apprenticeship, main provider or employer
- Evidence Pack – info for provider
- Exceptional Eligibility Criteria
- Glossary of terms