Youth Work Unit Yorkshire and the Humber CIO Sep 2023



A very basic guide for organisations wanting to appoint an apprentice. Youth worker / Institute for Apprenticeships and Technical Education

Please also check employment rules re advertising posts.

Apprenticeships – and funding for organisations that do not pay the national apprenticeship levy. All the information has been taken from <u>Apprenticeship funding rules for employers - Apprenticeships funded by transfer of levy funds - Guidance - GOV.UK (www.gov.uk)</u>

Introduction:

The levy is there to fund apprenticeship training for all employers. Smaller employers – those with a total annual pay bill of less than £3million – **pay 5%** of the cost of their apprenticeship training and assessing and the Government pays the rest.

In summary: You / your organisation will **need** to fund the **5% contribution + your apprenticeship's salary.** An apprentice needs to be employed for a **minimum of 30 hrs** a week and will need to be released to study a day a week – 20% of their time. In reality, a learner will need more then one day a week to complete all their assignments and reading during term time.

Organisations, however, might want to consider the 20% over the full year, and shift / allocate more study and learning time during teaching (30 weeks a year) say 40% (2 days equivalent) and less time during holidays.

As many youth organisations are small and can only offer part time employment, it might be possible for two organisations to offer one full time role, but there must be a clearly identified lead organisation as only one can draw down the levy.

For Youth Work Degrees 5% - is £1000 over 3 years.

When paying the 5% towards the cost of training and assessing your apprentice. You need to:

- agree a payment schedule with the training provider
- pay them directly for the training

The government will pay the rest (95%) up to the <u>funding band maximum</u>. They'll pay it directly to the training provider. (You can pay the difference from your own budget if the price of training is more than the funding band maximum)

You could get extra funding depending on both you and your apprentice's circumstances. Check the funding rules to see if you're eligible.

For example Employers and training providers will both receive a payment of £1,000 if they take on an apprentice who, at the start of the apprenticeship, is:

- aged 16 to 18 (or 15 years of age if their 16th birthday is between the last Friday of June & 31 August.)
- aged 19 to 24 with an education, health and care plan provided by their local authority
- aged 19 to 24 and have been in the care of their local authority

How to access the Levy:

Option 1) Levy paying employers can now also <u>transfer up to 25% of their levy funds</u> to other employers. This might be the local Council, NHS, a private business (who do you know) Option 2) You can apply to the apprenticeship training agencies (ATAs) and Flexi-Job Apprenticeship Agencies (FJAAs).

Option 1 expanded.

Employers receiving **transferred** funds will only be able to use them to pay for training and assessment for apprenticeship standards, for new apprenticeship starts.

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A transfer must be agreed and put in place before an apprentice (being funded by the transfer) starts their apprenticeship. (The only exception to this is where the apprentice is changing employer and an agreement to continue their apprenticeship with their new employer is via a transfer of levy funds - this must be agreed by the point the apprentice starts with their new employer)

Tasks:

- You will need to ask the Business making the transfer to register this and re-sign the employer agreement. There is further guidance on this: E218
- Where applicable, you must agree with the receiving employer the criteria of the apprenticeship
 which you will fund and the price that they have agreed with their chosen main provider and endpoint assessment organisation.
- You will need to approve these details through the apprenticeship service and ensure you do not exceed your transfer allowance
- To receive a transfer, if prompted, you must sign the <u>employer agreement</u> and ensure apprenticeships funded by a transfer follow the rules in this document.
- You will need to set up an apprenticeship service account if you do not already have one.
- You will need to enter details of the apprenticeship that the transferred funds relate to. If you already
 have an apprenticeship service account, you may use this to receive a transfer.

Option 2 expanded.

Employers who wish to access funding through the Apprenticeship Service must create an <u>Apprenticeship</u> Service Account.

- As a smaller employer, you will need to reserve funds in the 'finance' section of your apprenticeship service account before starting an apprentice.
- You can also give your training provider permission to reserve funds on your behalf.

What you'll need to know:

- which <u>apprenticeship training course</u> the apprentice will be doing eg which course and who you want to deliver it they have to be registered on the government website.
- what month the apprenticeship training will start
 Before the apprentice starts their training, you can change the apprenticeship start date and training course.

When you can use reserved funds

- The reservation period for employers who do not pay the apprenticeship levy is 3 months. This means funds can be reserved for 3 months before the apprenticeship is planned to start.
- You can make up to 10 new reservations to fund apprenticeship starts.

Funds transferred from employers who pay the levy to other employers through the apprenticeship service are not included when counting the number of reservations. You could be eligible for extra funding depending on both you and your apprentice's circumstances. See above

Get help with the apprenticeship service

You can either: <u>visit the knowledge hub</u> search for help in the apprenticeship service at any time call 08000 150 600 or email <u>helpdesk@manage-apprenticeships.service.gov.uk</u> during our opening times.