

The Apprenticeship Levy –

Dispelling the Myths

David Smith, APSE Associate

Managing Director

**ACORN** Environmental Solutions



# What are the public sector legal requirements for apprentices?

- Why was a legal target set on the public sector?
- Why was the Apprenticeship Levy introduced?
- What does the picture look like nationally?



### Public Sector Legal Requirements



The 3 million apprenticeship target by 2020 in Enterprise Bill



Commit 0.5% of your payroll over £3m (The Levy)



2.3% of your workforce needs to be an apprentice for public bodies over 250 employees (numbers reported every September)



# Part 7 of the Immigration Act 2016

Mandatory Code of Practice on the English Language requirement for public sector workers (includes agency)

"fluency duty"

Applies to all public sector, e.g. NHS, Councils, Schools etc for staff with a customer facing role

**Remedial Action** 

- Training
- Redeployment
- Dismissal



### Apprenticeship Levy

- Announced by Chancellor in the budget
- Starts April 2017 and paid through PAYE
- All sectors need to pay 0.5% of their payroll to the new body
- Use it or lose it (24months)
- Levy is only payable if payroll in excess of £3million
- Aim to generate £3 billion per year



### What can and can't the Levy pay for?

#### CAN's

Only training on a framework or recognized standard by the Institute of Apprenticeships for staff employed by you

Next year, 10% of your levy can be spent on your subcontractors (if they agree)

Only a training provider on the Government register can deliver an apprenticeship

#### **CANT's**



Staff salaries!!!



Training that is not included in the framework, for example weedspraying



Less than 20% off the job training



## What is the apprenticeship wage?

# These rates are for the national minimum wage and the apprenticeship wage

Year	25 and over	21 - 24	18-20	Under 18	Apprentice
April 2018	£7.83	£7.38	£5.90	£4.20	£3.70
April 2017	£7.50	£7.05	£5.60	£4.05	£3.50



### Terms and Conditions

A contract of employment for a minimum of 1 year and 1 day (not seasonal staff)

A minimum of 30 hours per week

Pay must be at least the national apprenticeship rate, i.e. £3.70 an hour – check age and previous qualifications

You must release them for 20% off the job training

They must receive the same risk assessment, indication training and health and safety training as a regular member of staff



### Supervision and Monitoring

#### Case Study - Hackney Council

- Most Managers volunteered to look after an apprentice
- A single mentor was appointed to look after the group of apprentices
- A RAG system was introduced on performance and development covering for example, time-keeping, attitude and learning goals
- Monthly development performance meetings occurred and were linked to pay rewards
- Regular meetings with training provider



### Benefits to the apprentices

#### **Case Study – Thurrock Council**

- All uniforms, boots & wet weather gear provided
- Pay review related to work & training
- Mentor Support fortnightly/ monthly reviews
- Discount card for local stores
- Free access to Council Leisure Services
- Housing support
- Meet the CE and Celebration!



### Mentoring

#### **Case Study – Islington Council**

- Official Apprenticeship Manager
- Pastoral Care, housing issues, financial issues, transition to monthly pay
- Travel cost reduction, Oyster cards, Bike loans
- Regular meetings
- Post Apprenticeship Support for vacancies within and external to the Council.



### Risks and Hazards to Apprentices

#### **Workplace Risks**

Health & safety guidance – HSE link <u>www.hse.gov.uk</u>

Only more stringent if under 18 or have some learning difficulties

Understanding the council's policies and procedures

#### **Training Risks**

Recruiting people without the right math's and English levels

Non completion of the qualification



### **Contact details**

### **David Smith**

Managing Director, Acorn Environmental Solutions

David.smith@acornenv.co.uk