



## Employing an apprentice: technical guide for employers

Information about how apprenticeship funding works for employers who want to take on an apprentice (published 20/04/2017)

### Introduction

In this guide we summarise what an employer needs to do, and the things they need to consider, if they want to employ an apprentice.

Employers should read the guide together with the [apprenticeship funding: rules and guidance for employers](#).

If you would like any further support, you can contact us through the Worcestershire Apprenticeship Hub 0300 666 3 666 or email [info@worcsapprenticeships.org.uk](mailto:info@worcsapprenticeships.org.uk)

### Terms, conditions and pay

To employ an apprentice, you need to check and meet the following terms and conditions.

Your apprentice should:

- be 16 years old or older; they can be a new or current employee
- work enough paid hours each week to undertake sufficient training to achieve their apprenticeship (the minimum duration of each apprenticeship on an apprentice working 30 paid hours a week or more. This includes any off-the-job training)

You must:

- give your apprentice a contract of employment which is at least long enough to allow them to complete their apprenticeship successfully
- pay the cost of your apprentice's wages; you should pay them at least the national minimum wage consistent with the law for the time they are in work and in off-the-job training
- give your apprentice a job role (or roles) that enables them to gain the knowledge, skills and behaviours they need to achieve their apprenticeship
- allow your apprentice to combine learning in the workplace with formal off-the-job training which usually takes place outside the normal working environment

For some apprenticeships your apprentice may need to combine work with study for a work-based qualification from GCSE (or equivalent) up to degree level.

## **Employers and apprenticeships: things to check**

### **1. Eligibility of apprentice**

Examples include, but are not limited to:

- having the right to work in England
- spending at least 50% of their working hours in England
- the apprentice must work for you, a connected company or connected charity as defined by HMRC

### **2. Contract of employment**

#### **Signed apprenticeship agreement**

You must have this in place at the start of the apprenticeship. The agreement confirms the individual employment arrangements between you and your apprentice. Both parties must sign the agreement.

You can write your own agreement or use the [template](#) available on GOV.UK.

#### **Signed commitment statement**

This sets out how you, your training provider and your apprentice will support the successful achievement of the apprenticeship.

### **3. Choosing a training provider for the delivery of apprenticeship training and end-point assessment**

The relationship between you and your training provider throughout the apprenticeship is important.

You and your training provider must agree a price for the total cost of each apprenticeship, including the training costs and any subcontracted training.

If you are employing an apprentice you can use [find apprenticeship training](#) to:

- search for and select apprenticeship training (by job role or key word)
- find training providers who offer the apprenticeship training you choose

Your training provider can use [recruit an apprentice](#) to post job vacancies and manage applications for apprenticeships.

## 4. Types of apprenticeships

When you choose an apprenticeship for your apprentice using [find apprenticeship training](#), you will either choose an apprenticeship standard or an apprenticeship framework.

### Apprenticeship standards

Designed by employers, they show what an apprentice will be doing and the skills required of them, by job role. The Institute for Apprenticeships publish [apprenticeship standards](#) once they have assessed them. Employers can use apprenticeship standards once they have their allocated funding band and an approved assessment plan.

To successfully complete an apprenticeship standard your apprentice will need to have an assessment plan and satisfy the requirements of an independent assessment conducted by an apprentice assessment organisation (called 'end-point assessment').

You will agree with the apprentice assessment organisation the cost of the end-point assessment. Your training provider will contract with your chosen independent apprentice assessment organisation and pay them on your behalf.

### Apprenticeship frameworks

These are available for delivery and cover all the statutory requirements for an apprenticeship programme in England.

There is no end-point assessment for this type of apprenticeship.

We are withdrawing [apprenticeship frameworks](#) to move to apprenticeship standards on a phased basis as employers take on apprentices on the new standards.

## 5. End-point assessments

End-point assessment is an assessment of the knowledge, skills and behaviours which your apprentice has learnt throughout an apprenticeship standard. Your apprentice can't achieve an apprenticeship standard without satisfying all the requirements of the assessment plan, including the end-point assessment.

You must select an organisation to deliver the end-point assessment from the [register of apprentice assessment organisations](#) (RoAAO) and agree a price with this organisation for the end-point assessment.

Although the provider will be involved in arrangements for end-point assessment, the assessment itself must be independent.

The training provider must contract with the apprentice assessment organisation on your behalf and have a written agreement in place with the apprentice assessment organisation to make payment to them for conducting the end-point assessment.

Where you do not know the details of the apprentice assessment organisation at the start of the apprenticeship, then once this has been confirmed, you must notify your chosen training provider who will enter the price for end-point assessment.

We expect that the cost of end-point assessment should not usually exceed 20% of the funding band maximum.

## **6. Certification**

When your apprentice successfully completes their apprenticeship they will be awarded a certificate. The way they receive it depends on the type of apprenticeship they complete.

For apprenticeship standards the apprenticeship end-point assessment organisation will request the certificate from the Education & Skills Funding Agency.

For apprenticeship frameworks your training provider will apply for a certificate from the Federation for Industry Sector Skills & Standards.

## **Funding for your apprenticeship**

We have set out the information for [apprenticeship funding in England](#) from 1 May 2017. You can find details about how the funding is paid in the [apprenticeship technical funding guide](#).

You can choose the training you'd like your apprentices to receive, an approved training provider and an assessment organisation.

## **If you have to pay the apprenticeship levy**

Some employers will need to contribute to a [new apprenticeship levy](#).

If you are a levy-paying employer you will need to [register](#) for the apprenticeship service so you can manage your apprenticeship funds. You will be able to pay for training and assessment from your digital account.

Government will apply a 10% top-up to the funds you have to spend in your account.

If you don't have enough funds in your account to pay for apprenticeship training, you must co-invest 10% of any outstanding balance; the government will pay the remaining 90% up to the funding band maximum allocated to a particular apprenticeship. If you exceed the funding band maximum, you will need to pay all the additional costs.

## **If you don't pay the apprenticeship levy**

If you don't pay the levy, you won't need to use the apprenticeship service to pay for apprenticeship training and assessment until a later date.

We will ask you to make a 10% contribution to the cost of apprenticeship training and government will pay the remaining 90% up to a maximum amount of funding allowed for the apprenticeship you have chosen. You will have to meet, in full, any cost (including for end-point assessment) which is above the funding band maximum. You will pay your contribution to your training provider over the lifetime of the apprenticeship.

### **Additional funding and support for Small Businesses**

You could also be eligible for [additional funding and support](#), depending on your apprentice's circumstances or if you are a small employer employing fewer than 50 employees.

The government will fund all of the apprenticeship training costs, up to the maximum value of the funding band for the apprenticeship, for employers employing fewer than 50 people (49 or fewer), if on the first day of the apprenticeship, the apprentice is:

- aged between 16 and 18 years old (or 15 years old if the apprentice's 16th birthday is between the last Friday of June and 31 August)
- aged between 19 and 24 years old and either has an education, health and care plan provided by the local authority, or has been in the care of the local authority

Before any apprenticeship starts, you must have evidence that you and the apprentice are eligible for the waiving of the employer contribution. This must be calculated using the average number of employees with a contract of employment in the 365 days before the apprentice is recruited. If the average number of employees is 49 and the recruitment of apprentices takes this number to 50, you will still be eligible to receive this extra support. However, if the average number of employees is 50 and the recruitment of apprentices takes this number to 51, you will not be eligible to receive this extra support

We define the number of employees as the number of people with a contract of employment.

### **Apprenticeship Grant for Employers (AGE) for 16- to 24-year-olds**

AGE will only apply to apprentices starting before 1 August 2017 and can only be claimed for a non-levy-paying employer with fewer than 50 (49 or fewer employees).

The Apprenticeship Grant for Employers of 16- to 24-year-olds (AGE 16 to 24) supports businesses that would not otherwise be in a position to recruit individuals aged 16 to 24 into employment through the apprenticeship programme.

If you are an eligible employer you can receive £1,500 for each eligible apprentice (up to five in total), where you have not employed an apprentice in the previous 12 months.