

# ***EMPLOYERS' GUIDE TO APPRENTICESHIPS***



A practical guide to help you understand how apprenticeships can benefit your business

February 2016

# WHAT IS AN APPRENTICESHIP?

An apprenticeship is a real job with training, enabling learners to earn while they learn and to achieve nationally recognised qualifications.

Apprenticeships are available to businesses of all sizes and sectors in England and can last from 12 months to four years, depending on the type or level of the programme.

Your apprentices can be either new or current employees. You'd employ them to perform a specific job role and, within the same period, they'd study the subject specific to their apprenticeship at a college or with a training provider.

As an employer you can support your apprentice in a number of ways:

- To learn job-specific skills
- Study for a work-based qualification during their working week with off-the-job training, provided by a college or training organisation
- Help them work with experienced staff and offer them a work place mentor
- Offer a salary

## What apprenticeships are available?

Various levels of apprenticeships are available depending on the individual's current skills and qualifications:

- Intermediate level apprenticeship – equivalent to 5 GCSEs at grades A\*–C
- Advanced level apprenticeship – equivalent to 2 A Levels
- Higher level apprenticeship – Level 4 is equivalent to a higher national diploma; Level 5 a foundation degree; Level 7 a master's degree.

To apply for an apprenticeship, an individual must be living in England and aged over 16.

## These are some of the main benefits for apprentices:

- The opportunity to earn a wage and receive other employer benefits available
- Training in the skills employers want
- Excellent progression opportunities, whether looking to study further or climb the ranks in the workplace
- Learning at a pace suited to them with the support of a learning provider.

*"...I feel that doing an apprenticeship has helped me out a lot, it's taught me many new things to do with work and it's a training process for me, where I can work my way up the business from doing the apprenticeship, so I can learn different aspects of the business..."* Dan Hawkins, **OCR Level 3 Business Administration** apprentice at CDI Anderselite



# WHAT ARE THE MAIN BENEFITS FOR EMPLOYERS?

Apprenticeships help to develop a motivated, skilled and qualified workforce, whether you're recruiting new staff or filling skills gaps by retraining or upskilling existing staff.

Apprenticeships can make a valuable contribution to your business by:

- Providing skilled workers for the future
- Making you more competitive
- Increasing productivity.

## Building skills

82% of employers take on apprentices to build the skills capacity in their businesses.

## Increased employee satisfaction

88% of apprentice employers believe that the programme will lead to a more motivated and satisfied workforce, resulting in greater loyalty and quality.

## Lower recruitment costs

75% of apprentice employers say the programme has helped cut recruitment costs. 80% say that apprenticeships will play a bigger part in their future recruitment policy.

## Attractive to customers

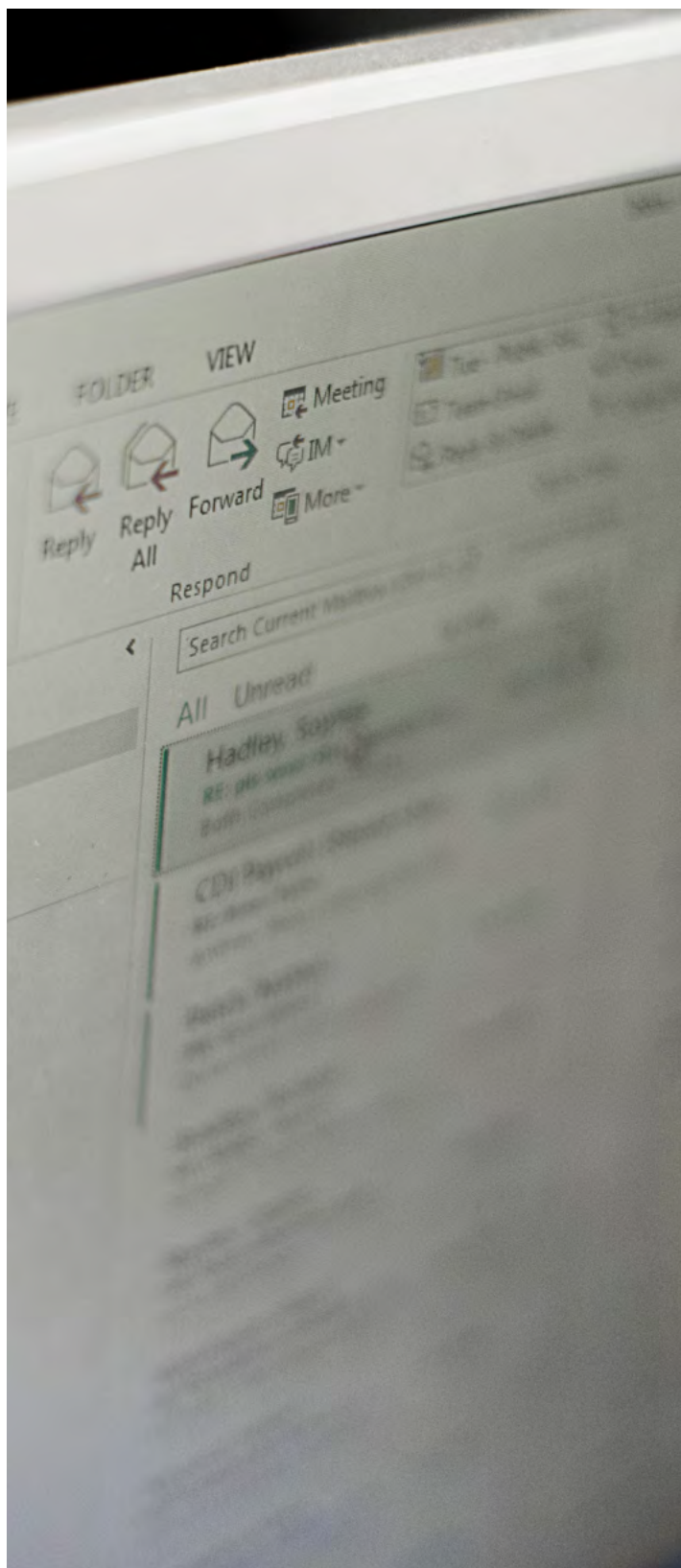
81% of consumers favour companies that employ apprentices.

## Reduced staff turnover

80% of employers feel that apprenticeships reduce staff turnover.

## Greater productivity

81% of apprentice employers say that apprentices make their businesses more productive.



---

# WHAT ARE THE MAIN RESPONSIBILITIES FOR AN EMPLOYER?

---

Employers of apprentices must meet certain requirements. These are just some of your responsibilities:

- You must pay apprentices at least the national minimum wage during their placement with you. Apprentices who are under 19, or who are over 19 and in the first year of their intermediate level or advanced level apprenticeship, must be paid at least the national minimum wage for apprentices.\*. All other apprentices are entitled to the national minimum wage for their age. Many businesses pay more.  
  
\*This rate is £3.30 an hour at the time of going to press.
- You must provide apprentices with the same benefits as other employees.
- The minimum hours of employment for apprentices should be at least 30 hours per week. By exception, where the individual's circumstances or the particular nature of employment in a given sector makes this impossible, then an absolute minimum of 16 hours must be met. In such cases the duration of the apprenticeship should be extended.
- An apprenticeship agreement must be signed by the employer and the apprentice. This agreement must state that the apprentice will be undertaking an apprenticeship in a particular skill, trade or occupation and can be used to reinforce understanding of the requirements of the apprenticeship.
- You can download an apprenticeship agreement template from the relevant section at [gov.uk/take-on-an-apprentice](https://www.gov.uk/take-on-an-apprentice)

## Did you know?

More than 850,000 people were earning and learning on an apprenticeship programme in 2013/14.



---

# FUNDING AND GRANTS – DO YOU QUALIFY?

---

## Apprenticeships started with frameworks...

The design of apprenticeships was set out within sectors and by occupation, in documents called apprenticeship frameworks. You can find them by visiting Apprenticeship Frameworks Online at [afo.sscalliance.org](http://afo.sscalliance.org)

For most sectors, these frameworks are still live and they specify the training and qualifications that make up the apprenticeship programmes being followed by existing and new apprentices.

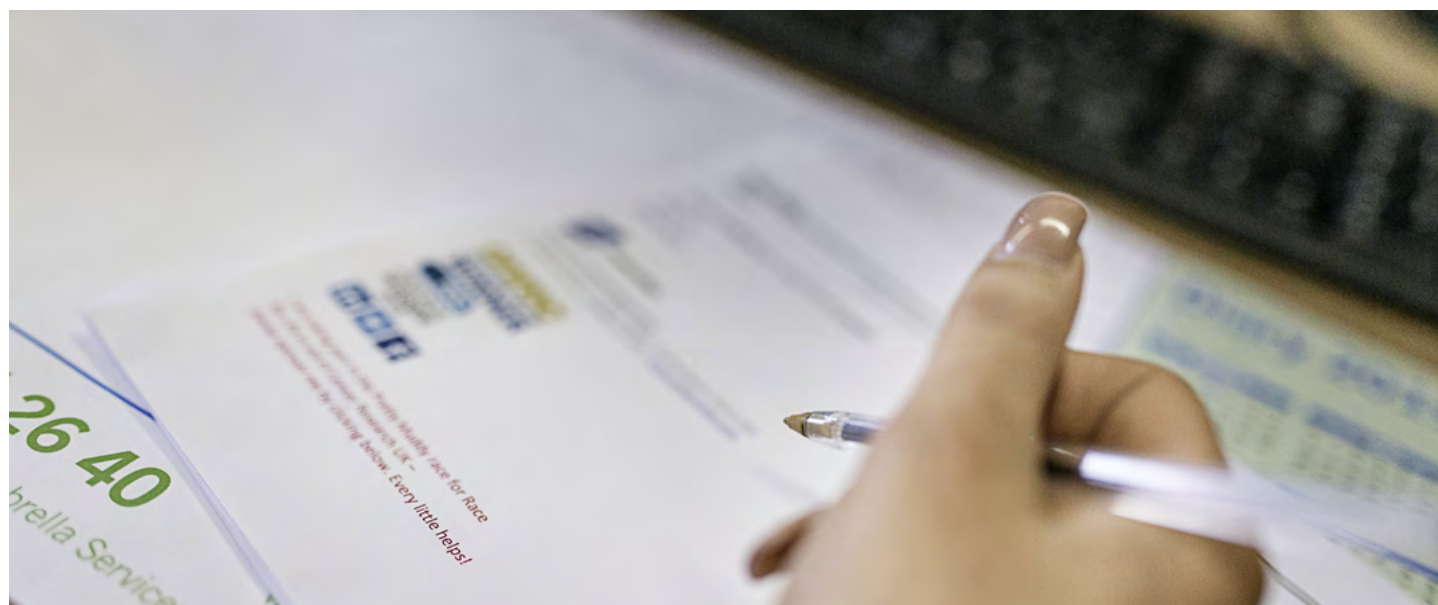
## Now we're moving towards 'apprenticeship standards' ...

However, the Government has put in place a process to replace all of these frameworks with 'apprenticeship standards'.

As part of apprenticeship reforms, the Government has recently published new apprenticeship standards. There will be a standard available for each occupational area, allowing apprentices to have a mastery of occupation in a specific job role area. These apprenticeship standards have been designed by employers for employers to ensure that apprenticeships are even better placed to support businesses and help them prosper.

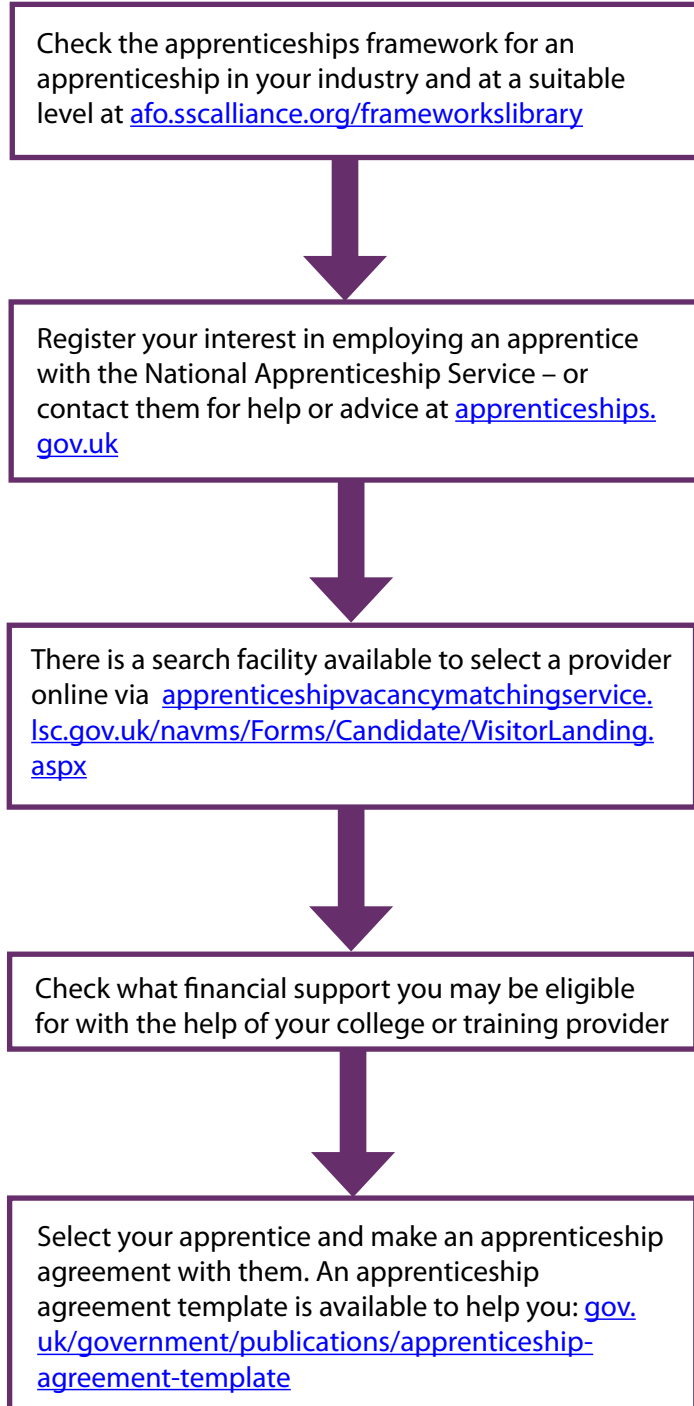
It is predicted that from 2018 all apprentices will be starting on one of the new apprenticeship standards. Each of the employer-led groups involved in shaping the content of the standards is referred to as a 'trailblazer'. Trailblazers have been leading the way on the proposed reform of apprenticeships. They've been working together to design apprenticeship standards and assessment approaches to make them world-class.

To find out more about the reforms, visit: [gov.uk/government/collections/apprenticeship-changes](http://gov.uk/government/collections/apprenticeship-changes)



## Funding for training

Apprenticeship funding is available for learners. The college or training provider who provides the apprentice's



training will receive the funding.

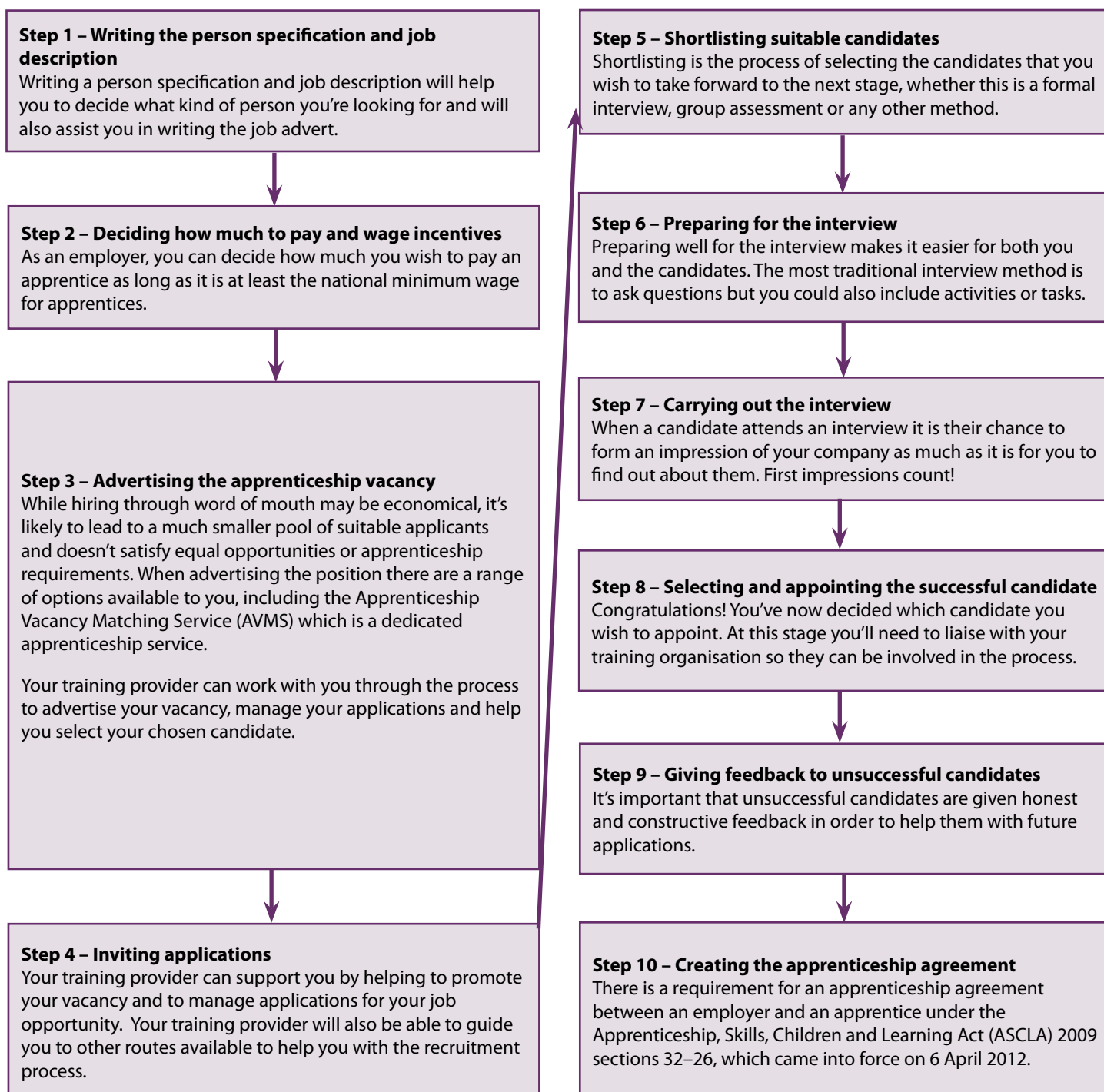
An AGE grant is available for employers in England to gain funding to employ an apprentice (see the link below for further information). For some regions in England the grant is managed locally and the eligibility criteria may differ.

# TEN STEPS TO RECRUITMENT

[gov.uk/government/collections/apprenticeship-grant-for-employers-of-16-to-24-year-olds](http://gov.uk/government/collections/apprenticeship-grant-for-employers-of-16-to-24-year-olds)

## National Insurance changes for apprentices

To make it cheaper to employ young apprentices, from April 2016 employers will not have to pay National Insurance contributions (NICs) for all but the highest-earning apprentices aged under 25. This is in addition to the announcement made in a previous Autumn Statement for employers not to pay NICs for under-21-year-olds from April 2015.



You'll find a range of useful tools, including feedback tools, apprenticeship applications, work experience, interviews and CVs, at [gov.uk/government/publications/apprenticeship-recruitment-employers-and-training-organisations](http://gov.uk/government/publications/apprenticeship-recruitment-employers-and-training-organisations)

---

# WHAT ARE HIGHER APPRENTICESHIPS?

---

## Apprenticeship levy

An apprenticeship levy is being introduced to put control of apprenticeship funding in the hands of employers. The apprenticeship levy on large employers will be introduced in April 2017; it will be set at a rate of 0.5% of an employer's pay bill. Each employer will receive an allowance of £15,000 to offset against their levy payment. This means that the levy will only be paid on any pay bill in excess of £3 million and that less than 2% of UK employers will pay it. Legislation to permit the imposition and collection of the apprenticeship levy will be introduced in the Finance Bill during 2016. All employers who do not pay the levy will be able to access government support for apprenticeships.

## Employing an apprentice

For more information about taking on an apprentice, visit [apprenticeships.gov.uk/employer](http://apprenticeships.gov.uk/employer) or contact the National Apprenticeship Service by calling 0800 015 0600.

## Hiring your apprentice

Here are some useful steps for taking on an apprentice:

You can use an apprenticeship training agency if you want to employ an apprentice without the responsibility of running the apprenticeship scheme. Read more at [gov.uk/take-on-an-apprentice/apprenticeship-training-agencies](http://gov.uk/take-on-an-apprentice/apprenticeship-training-agencies)





# WHAT ARE TRAINEESHIPS?

Finding the right apprentice for your company can be a daunting task if you're not used to the recruitment process.

Here are 10 steps to promote good practice in all aspects of the recruitment of apprentices, promoting equality and diversity, and complying with the relevant legislation.

## Using traineeships – what are they?

A focused period of work preparation training

+

English and maths

+

A high-quality work experience placement



To find out more

**[ocr.org.uk/apprenticeships](http://ocr.org.uk/apprenticeships)**

or call our Customer Contact Centre on **02476 851509**

Alternatively, you can email us on **[apprenticeships@ocr.org.uk](mailto:apprenticeships@ocr.org.uk)**



OCR is part of Cambridge Assessment, a department of the University of Cambridge.

For staff training purposes and as part of our quality assurance programme your call may be recorded or monitored. ©OCR 2016 Oxford Cambridge and RSA Examinations is a Company Limited by Guarantee. Registered in England. Registered office 1 Hills Road, Cambridge CB1 2EU. Registered company number 3484466. OCR is an exempt charity.

Photography: OCR apprentices by Adam Cash Photography

This leaflet contains public sector information licensed under the Open Government Licence v3.0.

---