



Insight#8

Opportunities for employers in new apprenticeships standards.

Hello. We're just setting up and will start shortly. You should be able to hear the presenters sound checking.

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Insight webinars for apprenticeships.

#8 Opportunities for employers in new apprenticeships standards

7 March 2017





Housekeeping

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For technical support during the event

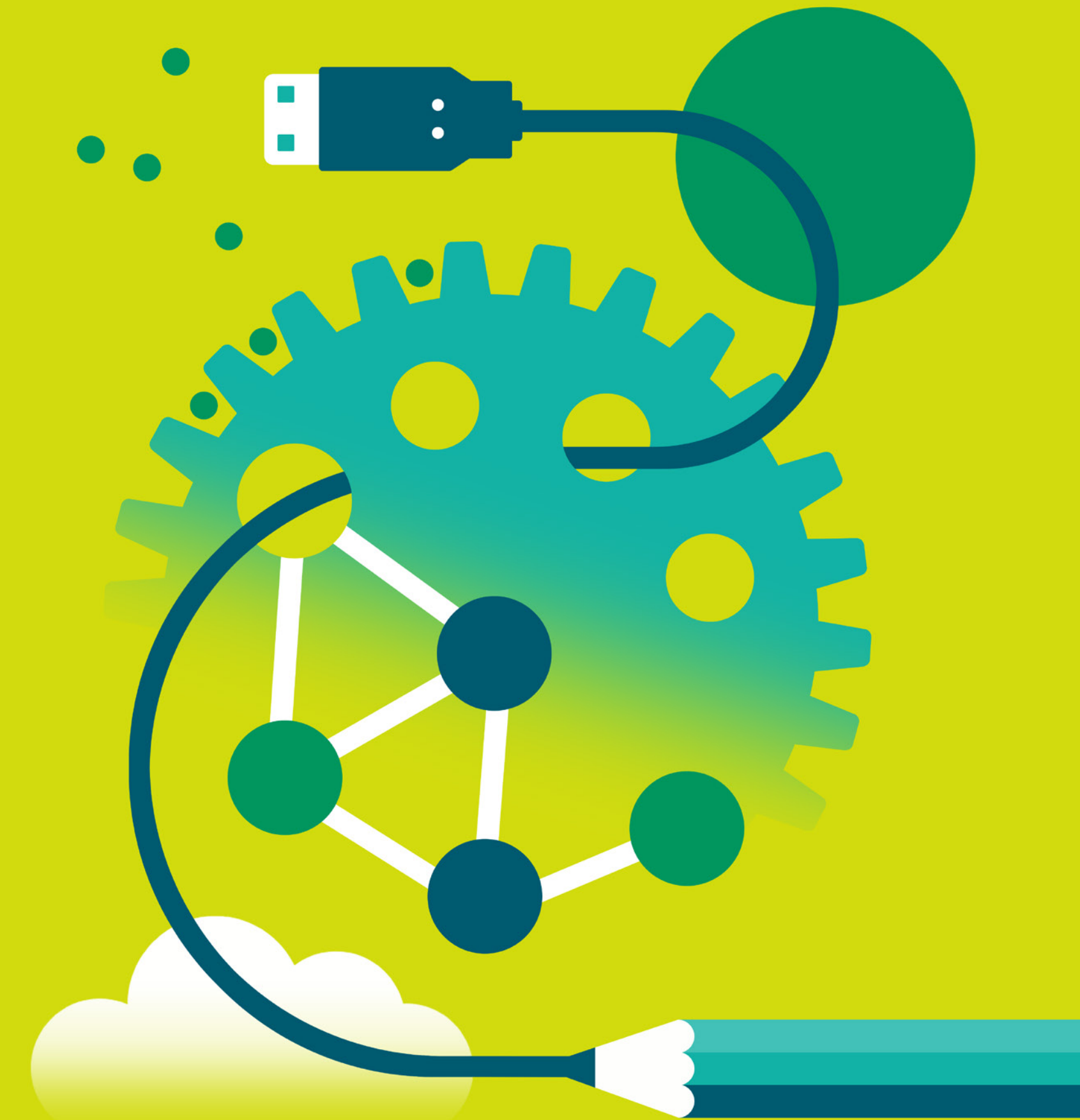
Use the chat window and our support team will respond

We'll go into more detail on topics later in the series

We'll run further events every few weeks for as long as people find them useful.

Slides will be sent you post-event

quals.pearson.com/apprenticeships



Interacting

There will be a Q&A session at the end of the event.

But your microphones are off by default.

You can ask a question at any time using the chat window

We won't answer immediately but will pause between sections to summarise key points of interest.

Due to time constraints, we may not be able to answer all your questions during the webinar. But we will make a note of them and try to answer most of it.

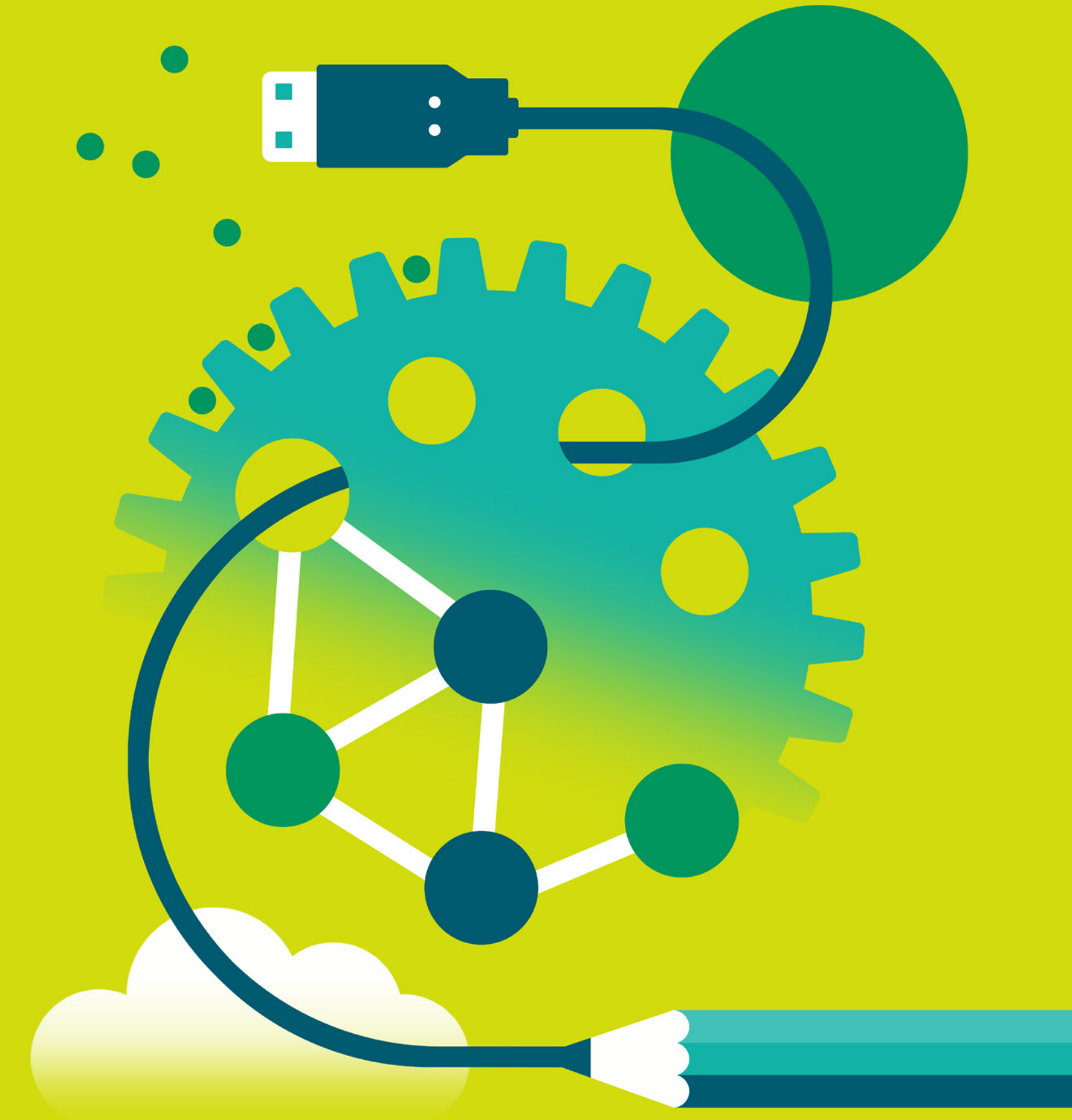
A copy of the Q&A will be sent to you post-event.

Today's schedule

While much of the public discussion around apprenticeship reform has focused on the levy, the move to employer-designed programmes and increased influence brought about by funding changes leaves your organisation with a range of options.

Together with our guest contributor CBI, we will be discussing how:

- Organisations are preparing for the introduction of the apprenticeships levy and employer contributions for SMEs
- How organisation's approach to recruitment is evolving
- How organisations are selecting their delivery partners



Your presenters



Neil Ingoe

Head of Marketing
Event Host



Gary Tovey

Head of Employer and
Strategic Partnerships



Siân Owen

Head of Stakeholder
Engagement (Funding)



Pippa Morgan

Head of Education and
Skills, CBI

Who are we?



Apprenticeship Reform

- **The Richard Review (2012)**
- **October 2013, the first employers were formed as “trailblazers” to design new apprenticeship standards and assessment approaches in England.**
- **The reform forms part of broader changes to the apprenticeships system outlined in the government’s 2020 vision:**
 - Funding rules, methodology, levy and SME funding
 - 3 million target
 - Legislation to protect the term “apprenticeship” and target public bodies in the Enterprise Bill
 - Introduction of the Institute for Apprenticeships and The Apprenticeship Service (formally known as Digital Apprenticeship Service)
 - **The reform/Trailblazers applies to England only**



Employer-led standards and programmes

Design

- Employer (large and SME) designed standards – to meet future skills requirements for occupations
- Process of designing standards
 - Expression of interest
 - Standard Development
 - Sign Off
 - Assessment Plan
 - End-point Assessment definition

Delivery

- Employers in the driving seat
- AAOs chosen by employers
- Funding vs procurement by employers

Engagement

- Employer contributions (Levy and SMEs)
- Transition for existing Apprenticeship employers
- Introduction of new employers to Apprenticeships
- Impact of government plan (Sainsbury Review)

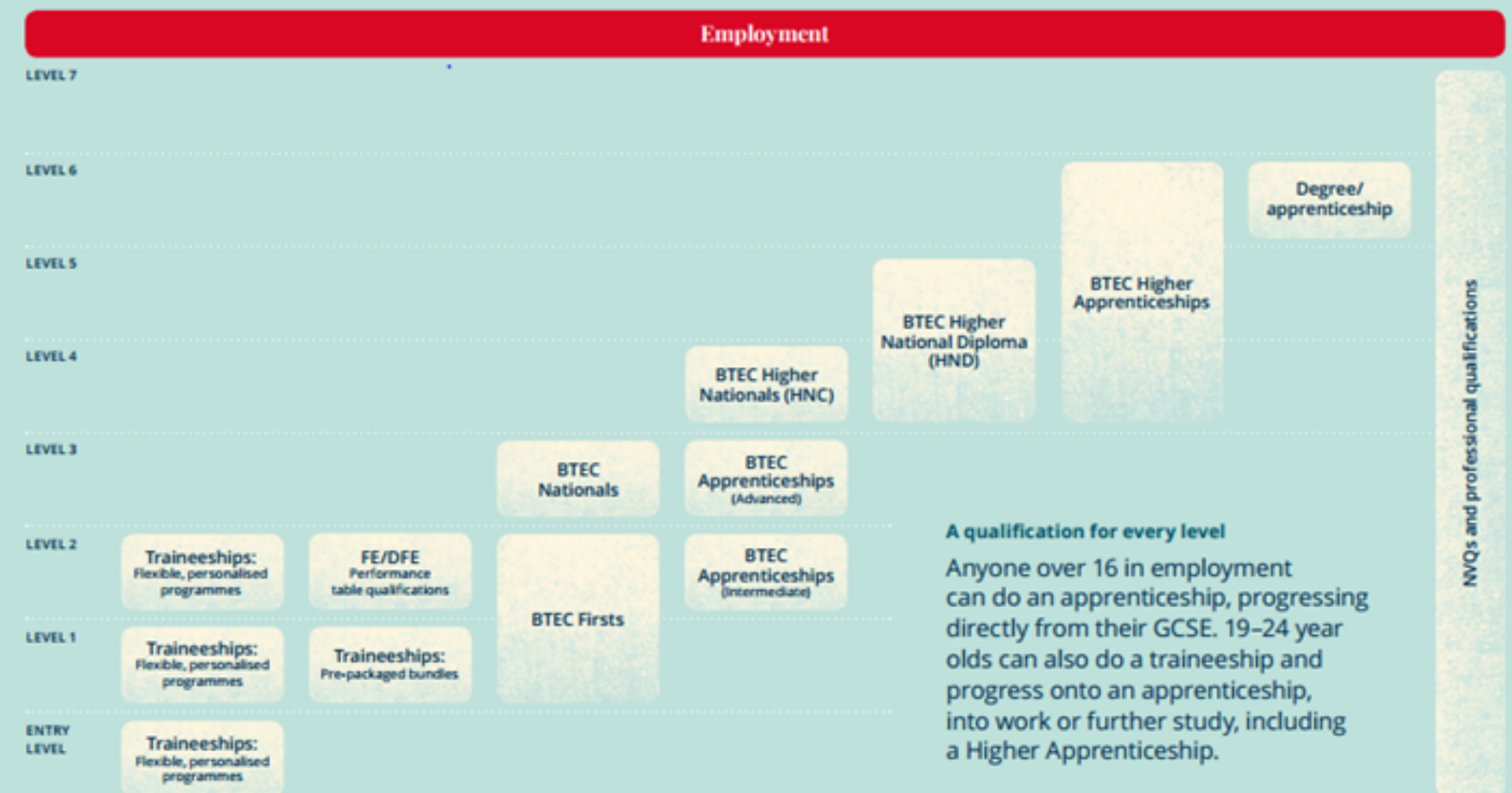
Considerations

- Responsibility as an employer – delivering Apprenticeships to your employees
- Impact of Levy on other L&D/Talent/Grad programmes
- Offering across the age spectrum
- Unintended consequences of delivery – e.g. Employer provider, Inspection etc.
- Engaging with The Apprenticeship Service and Institute for Apprenticeships
- Relationship post Levy, not just HRD now FD
- Valid learning experience



Apprenticeships as part of your talent acquisition and development

- Using Apprenticeships as a route into your business, across levels and with different employment skills (e.g. GCSE, A-Levels, BTEC and beyond)
- Upskilling of existing workforce, including specialist functions, using a multitude of standards



Getting a return on your investment

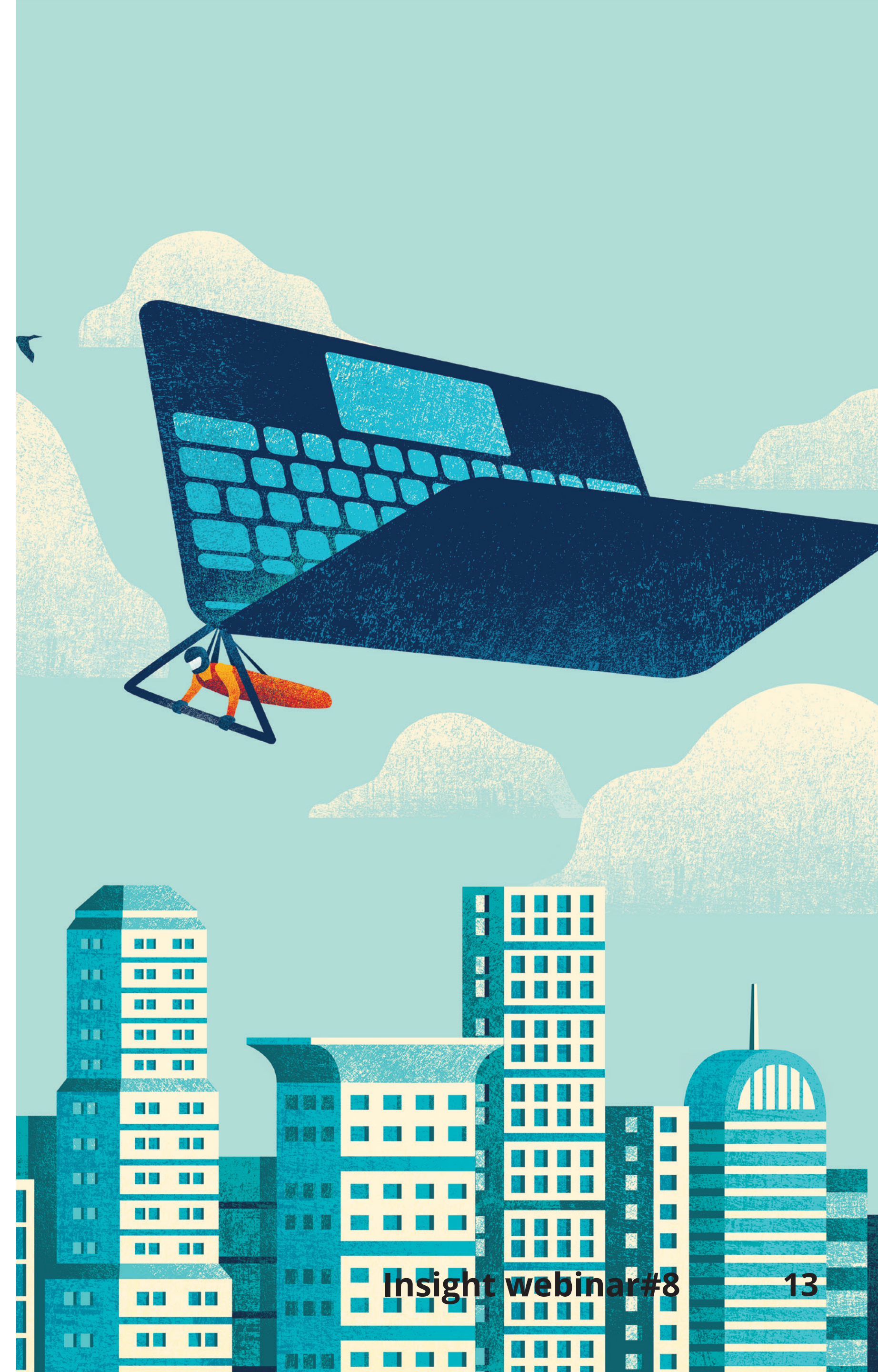
The new standards offer the opportunity for a genuinely different talent acquisition route for modern businesses. They can allow you to bring new talent into your business but also to upskill your existing workforce through programmes such as the Chartered Manager Degree Apprenticeships from Pearson College London.

Your programmes should form a key element of your learning/development talent programme and include plans to encourage higher apprenticeships and further development and progression.

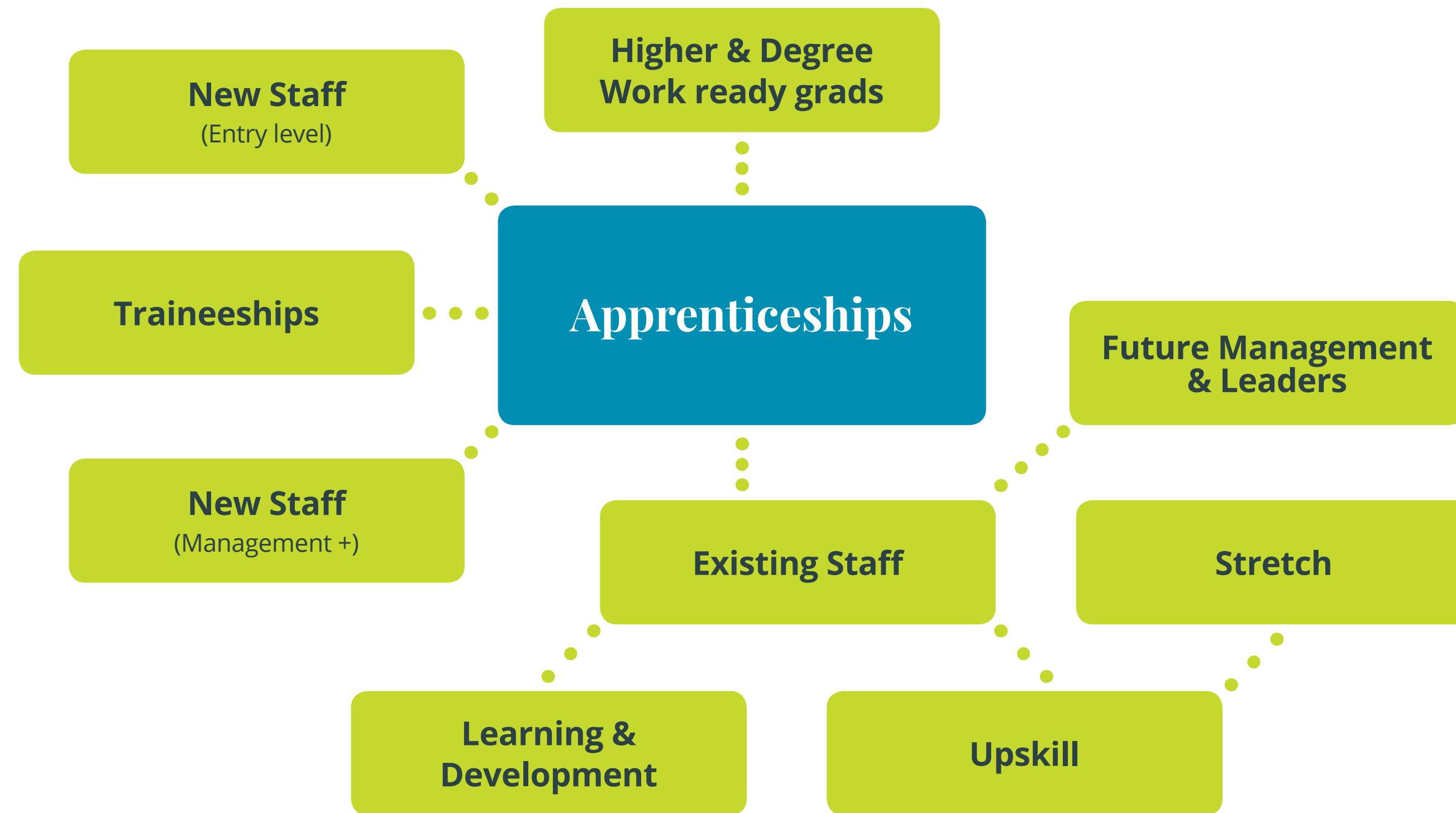
We can work with your in-house Learning & Development and HR teams to develop long-term strategies.

The routes to working out your return on investment are complicated but you should take into account:

- **progression – % of apprentices promoted**
- **cost of recruitment**
- **average salaries**
- **employee satisfaction**
- **time to recruit.**



The full talent cycle – entry to development



www.findapprenticeship.service.gov.uk/apprenticeshipsearch

Recognising and ensuring achievement

Qualifications within Apprenticeships include:

- Assuring training
- Quality Assurance
- Digital badging
- Pearson Apprentice 360



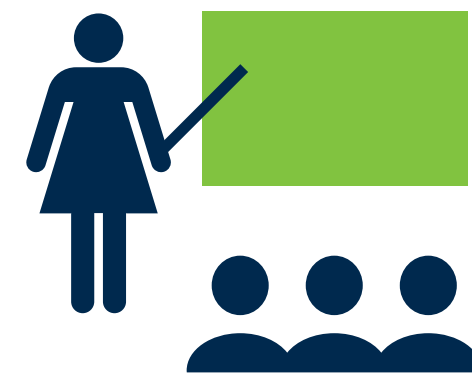
What's changing?

Overall

Learning model

- What an apprenticeship contains
- Overall outcomes
- Pedagogy

- Design of new occupational standards and assessment plans



Institutions

- Who administers apprenticeships
- How apprentices and employers are matched
- Certification
- Quality assurance

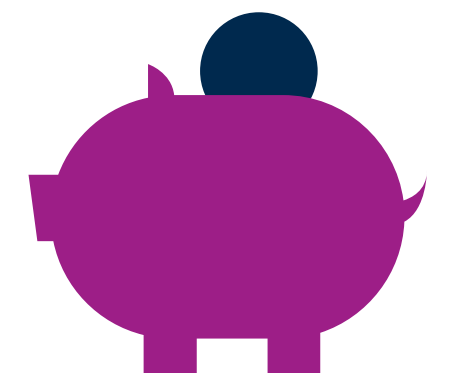
- Design of new occupational standards and assessment
- New employer led – institute for apprenticeships (IfA) plans



Funding

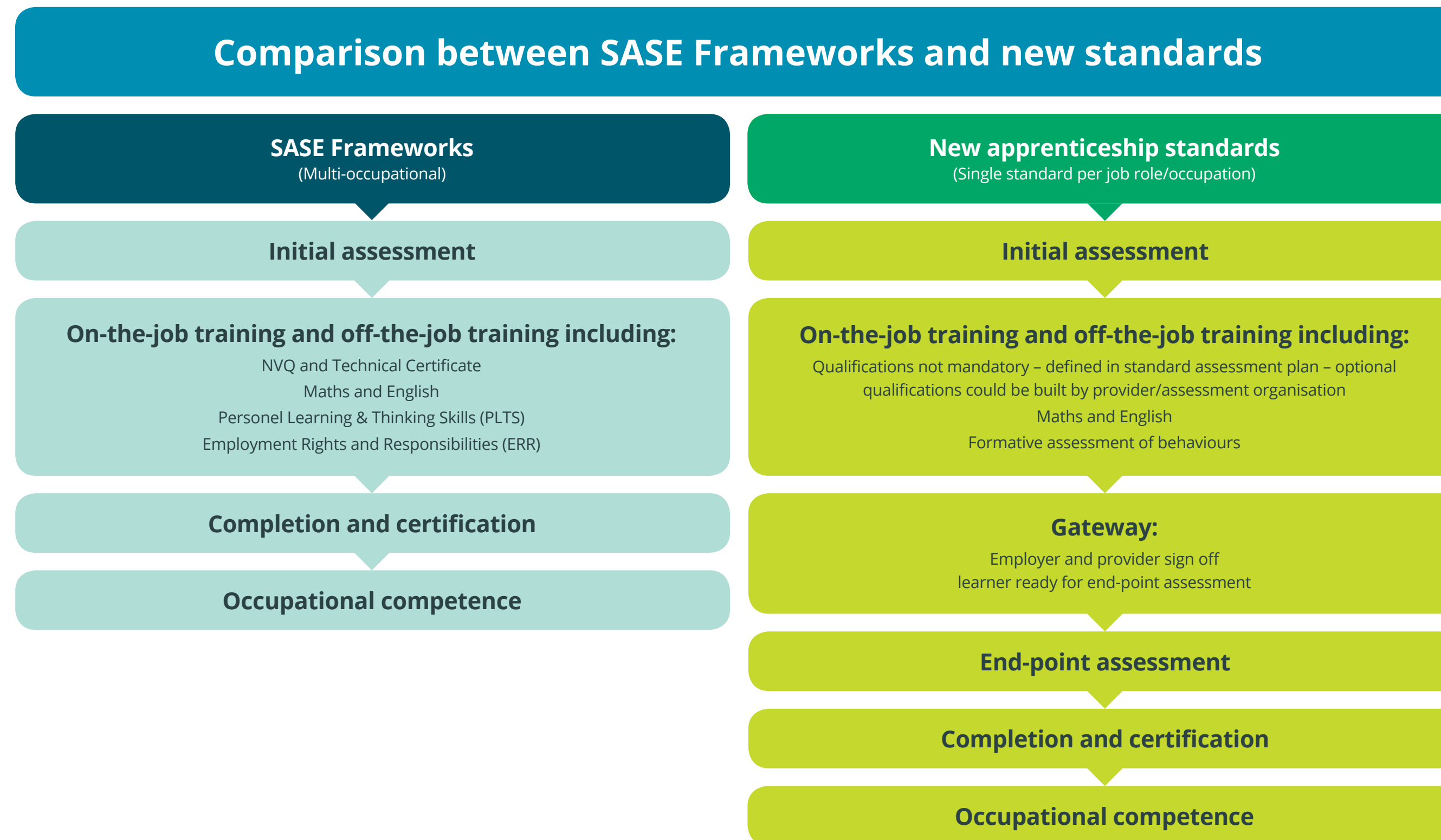
- Who pays
- Funding levels
- Mechanisms

- Greater ownership of funding – mandatory contributions, Levy, SME funding



- New procurement and management by employers through Digital Apprenticeship Service (DAS)

What's changing cont.?



For Levy payers

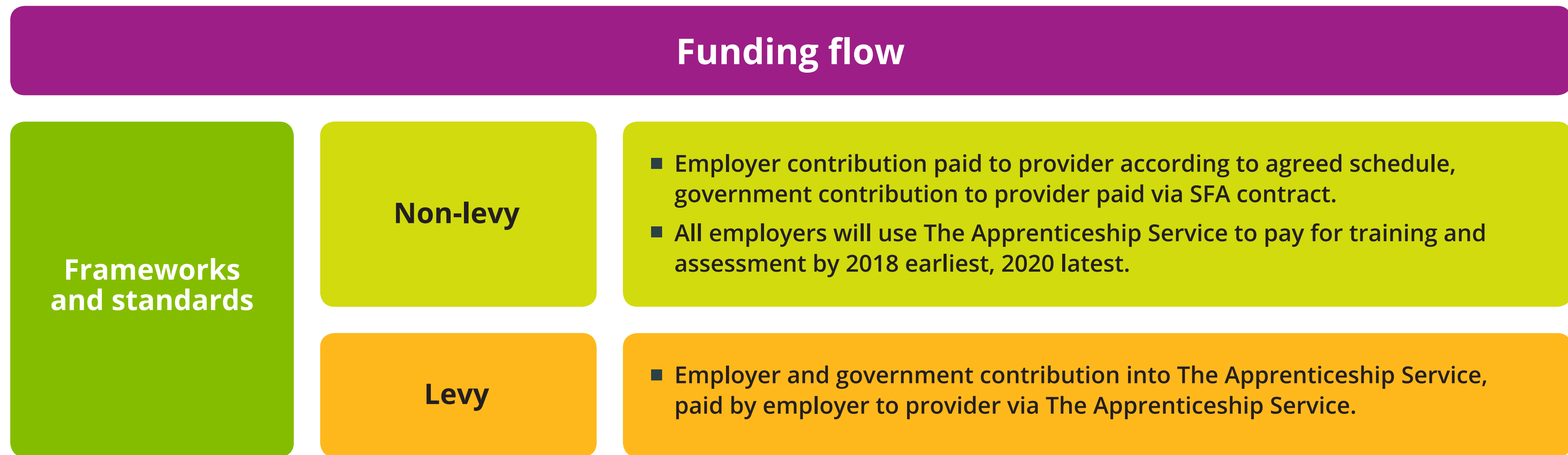
- From April 2017 levy on pay bill at a rate of 0.5%.
- Levy allowance to offset against this, of £15,000 each tax year, therefore payable on pay bills over £3 million ($0.5\% \times £3 \text{ million} = £15,000$).
- Allowance operates on a monthly basis and accumulates throughout the year, so allowance of £1,250 a month, and unused allowance carried from one month to the next.
- For example, if your levy liability in month 1 is £1,000 you will not pay the levy and your allowance in month 2 will be £1,500.
- Applies to employers across the UK but the levy to spend calculated based on home address of employees. Can be spent on employees whose main workplace is England.
- 10% top-up from government.
- Expires after 24 months.
- Government considering allowing employers to transfer 10% of unused funds to employers in supply chain or sector from 2018.

More information on Levy including overview factsheets can be found at our Funding Hub

Spending from your digital account (Levy)

- New employees
- Existing employees
- Across levels of Apprenticeships

How will Apprenticeships be funded moving forward?

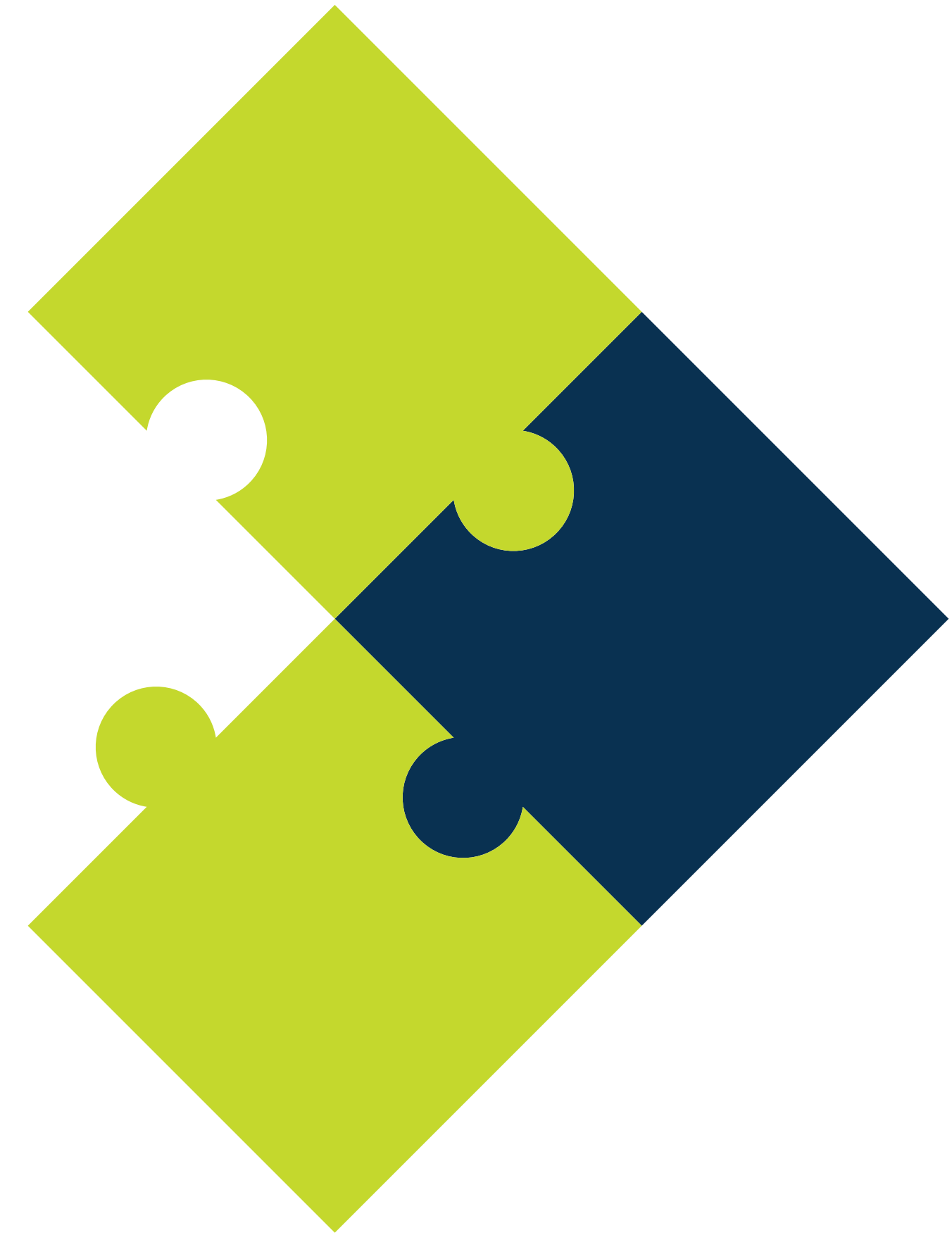


For Non-levy and Levy payers

Contributions		
Frameworks and standards	Non-Levy	<ul style="list-style-type: none">■ For all age apprenticeships employers co-invest 10% and government co-invests 90% (mandatory)■ No funding reduction for apprentices aged 24+■ Funding band is the maximum amount towards which government will co-invest 90%■ Small employers (<50) do not have to co-invest 10%; government pays 100%
	Levy	<ul style="list-style-type: none">■ Employer and government contribution into DAS, paid by employer to provider via The Apprenticeship Service.■ Government tops this up by 10%.■ Once levy spent, employers use same model as non-levy payers.

Partnership options

- Working with an Education Provider, such as Pearson, including Advice, Guidance and Support
- Working with a PTP or FE College
- Direct delivery (employer provider)
- End-Point Assessment



Employer Perspective:

CBI



Pippa Morgan, Head of Education and Skills, CBI

Pippa leads the CBI's work on education and skills and is responsible for policy development and lobbying across these areas.

Prior to this role Pippa spent two and a half years as the CBI's political adviser, during which time she was responsible for the organisation's political engagement and produced the CBI's business manifesto for the 2015 election.

Before working for the CBI Pippa was a parliamentary researcher in the House of Commons and she has a degree in history from Cambridge University.



Case Study:

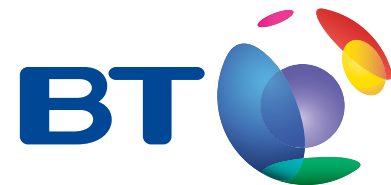
Rotational Degree Apprenticeships

- New talent route, but also about the opportunities to upskill existing staff
- Offering an opportunity to combine apprenticeships across three different leading companies and complete a degree at Pearson Business School, the Rotational Degree Apprenticeship programme is a three-year structured training programme.



Pearson is a business too (our business is education)

Some of the businesses we currently work with:



Ways we can help



Reform

- Transition?
- New to Apprenticeships?
- Meeting the target (3 million)
- Spending your Levy

Post 16 Skills Plan

- Link to Apprenticeships
- Additional employer involvement
- Talent pipeline through Apprenticeships and T&P

Governance

- The Apprenticeship Service
- IfA
- Brexit
- Changes in Government

Your business

- What do you know? What's your business doing?
- What should you be thinking about?

Your next steps to delivering successful apprenticeship programmes



Further information

The employer's guide to apprenticeships

- Learn more about funding, recruitment and getting a return on your investment
- Read case studies from other employers

The Guide will be sent to you after the presentation



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and Lucy Vigrass

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