

Key
GROUP

Est. 1965



- Key Training
 - National apprenticeship training provider
 - Delivery of vocational training for over 50 years
 - Top 3 training provider delivering to Recruitment industry
 - Work with over 3,000 learner per annum

- John Deaville
 - Over 20 years experience in vocational training
 - Previously Director at the largest apprenticeship provider in UK, College and ITP
 - Created programmes to Corporates and SME markets

The Apprenticeship Levy

- Payroll Tax to be introduced in April 2017 payroll (available to spend in May 2017)
- Payable by all employers with payroll over £3M per annum
- Tax is 0.5% of all payroll costs
- Paid monthly, with £1,250 allowance per month and Government then add 10%
- Example
 - Monthly payroll = £1M
 - 0.5% = £5K
 - Annual allowance = £1,250
 - Levy Payment = £3,750
 - 10% Government contribution = £375
 - Digital Apprenticeship System = £4,125

The Apprenticeship Levy

- Levy monies placed into Digital Apprenticeship System (DAS)
- Organisations can use these monies to fund **Apprenticeship Training**
- Apprenticeship Training must be delivered by a registered provider (from a Government published list)
- 24 months to use Levy monies or they will disappear
- Can spend up to the amount your DAS
- If you spend more than funds in DAS then co-investment will apply (extra 10% employer contribution) – or put another way
 - Government will pay for 90% of the training you procure!!

- Scotland, Wales & NI Levy will be paid, but will not appear in DAS
 - Levy from employees working in S/W/NI will be deducted and sent to devolved Governments
 - Employees in S/W/NI will not be eligible for training through Levy funding
 - Eligible learners must LIVE and WORK in England
 - Devolved Governments will allocated Levy funds using own mechanisms (unlikely to be ring-fenced)
 - Qualifications in Scotland are also different
 - It is possible to deliver a consistent service, but may need commercial funding and / or several partners



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- Each programme will have a “Cap” for example
 - Customer Services Practitioner Level 2 £4,000 (12 months)
 - Management Level 5 £9,000 (2 years)
 - Can negotiate lower prices, but don't race to the bottom!
 - Funding will be agreed between employer and training provider and spread over length of programme in equal instalments (less 20% for end point assessment)
 - 16-18 year old learners, you get £1,000 incentive
 - Plan for dropout and under-recruitment
 - Don't forget – overspend in any one month you will need to co-invest 10% of the excess (and this wont be reconciled until following April)

Apprenticeship myths and stereotypes



Just young people?

Just trade professions?



Apprenticeships – other changes and considerations

- Not enough 16-18 year olds to meet 3 million government target
- Not many 16-18 roles in large employers
- Do not have to change job titles to “Apprentice”
- Do not have to change T&Cs or Salaries!
- Staff with degrees CAN undertake apprenticeship programmes (from April 2017)
- Frameworks or Standards?
 - Standards replacing Frameworks by 2020
 - Standards designed by employer groups
 - Standards don’t necessarily have qualifications, more flexible
 - Standards attract significantly higher funding

Recruitment Sector

- The Levy clearly does not suit many parts of the Recruitment industry
- Temporary workforce will “pay” and yet majority cannot benefit from the training
- All apprenticeships must have minimum 12 month duration
- So how can the sector get some value from the Levy?

Opportunities to use the Levy

- Permanent Staffing opportunities
 - Existing Recruitment Frameworks available at Levels 2,3 & 4
 - New Standards for Resourcer Level 2 and Recruiter Level 3
 - Include Technical Certificate and NVQ designed by REC
 - Some issues with current and historic delivery
 - Poor Success Rates
 - Job and training not aligned
 - Key Training experience
 - Business Administration / Customer Service / Sales roles
 - Management Development
 - From Team Leader / 1st time Manager to Chartered Degree level
 - Support Services
 - HR, IT, Marketing (including Digital), Accounting, Legal



- Creating a Levy Strategy - Issues to consider
 - How much is your Levy bill? – the “easy” bit!
 - What is the priority for the business?
 - Ignore – It doesn’t suit us!
 - Get money back
 - Get value from Levy
 - Avoid business disruption
 - Improve Skills and Retention hotspots
 - Succession planning
 - Are there opportunities for 16-18 job roles?
 - What entry level jobs are in your business?
 - What technical / higher level roles do you have?
 - What leadership and management training is delivered / required?
 - What existing CPD could be delivered as apprenticeships?



- What not to do....
 - Short term mass programme – i.e. my Levy is £200K so I'll do 50 staff in a contact centre for £4K each, job done!
 - Great, but what about year 2 and beyond!
- What a good strategy will look like
 - Balanced
 - Some young people into new job roles
 - Progression routes identified and advertised
 - Don't just advertise for entry roles!
 - Entry level staff roles
 - Initial cohort and then retention hotspots
 - Leadership and Management
 - Rolling programme from new managers to senior managers
 - Technical staff
 - Identify roles and standards available
 - Linked to Retention and Skills Gaps
 - At the heart of the Learning and Development plan

Co-Delivery Models

- Programmes can be delivered in conjunction with existing programmes, either delivered internally or by external trainer
- So for example
 - Company delivers some management programmes that map to the Apprenticeship knowledge requirements
 - These become part of the programme, delivered by you or external
 - We would oversee the quality of the delivery (we have to do for OFSTED)
- Commercially either
 - Price of programme would be reduced (as you or somebody else delivers part)
 - You reclaim proportion of programme you deliver

Some other issues to consider

- Time off the Job
 - An apprenticeship programme will require some time off the job
 - Varies depending on the programme, but minimum 20%
- Functional Skills
 - Level 2 and 3 programmes will involve Functional Skills (Maths and English)
- Commitment
 - Learners must be committed to the programme and motivated to complete work
 - Previous programmes that may have been “flexible” will need to be more structured and not optional
- Programme Length
 - Minimum 12 months for any programme, can be up to 5 years!

Levy Management – don't underestimate!

- Identifying programmes
 - Mapping against L&D Strategy
 - Identifying Skills Gaps and Retention Hotspots
 - Auditing staff roles and existing programmes
- Selecting Training Providers
- Agreeing delivery models
 - Mapping any existing programmes
 - Customising to your requirements
- Negotiating prices on each programme
- Managing Digital Apprenticeship System
- Promoting programme across the business (learner and managers)
- Recruiting learners (new or existing)
- Sign-up learners to the programmes
- Delivery commences!
- Approving payments
- Managing quality (with Training Providers)
 - Dropout
 - Attendance
 - Success Rates
 - Standard of Training
 - Co-delivery monitoring
- Ofsted
- End Point Assessment
 - Select provider
 - Manage process
- Progressions (when learners complete)
- Feedback from learners
- New programmes and learners

How we (and others) can support you?



Planning

Delivery

Management

Finally - How the Levy may unfold?

- Levy will raise an estimated £2.6 Billion to £3 Billion
- Current apprenticeship spending is less the £1.5 Billion!
- Many organisations will not be able to spend their Levy on Apprenticeships
- Two strategies are likely to emerge
 - Spend with your “supply chain”
 - Non apprenticeship training – “Training Levy” rather than “Apprenticeship Levy”
- Both of these would make the Levy more suited to Recruitment!