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Apprenticeship reforms - Standards

Skills Funding Agency

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Welcome

WHAT : Main Elements of Reform

Employer-led Trailblazers designing apprenticeships

Giving employers the opportunity to set the skills, knowledge and behaviours you need

Short, concise standards replace long, complex frameworks

Providing a clear and attractive 'shop window' for parents, apprentices and businesses

All apprenticeships have an end point assessment and include grading

Ensuring that apprentices are signed off as fully competent at the end of their apprenticeship

All apprenticeships must last at least 12 months

Continuing to drive up the quality of apprenticeships

Give employers greater control over funding

Enabling employers to be intelligent customers, getting the training they want and driving up quality

HOW: Delivery so far

- Over 1400 businesses in over 100 sectors involved
- 199 standards published so far
- **71 ‘ready to deliver’** – standard and assessment plan approved, funding Cap allocated
- 154 standards in development
- Over **40%** of standards so far are for Higher and Degree Apprenticeships



HOW: Delivery so far

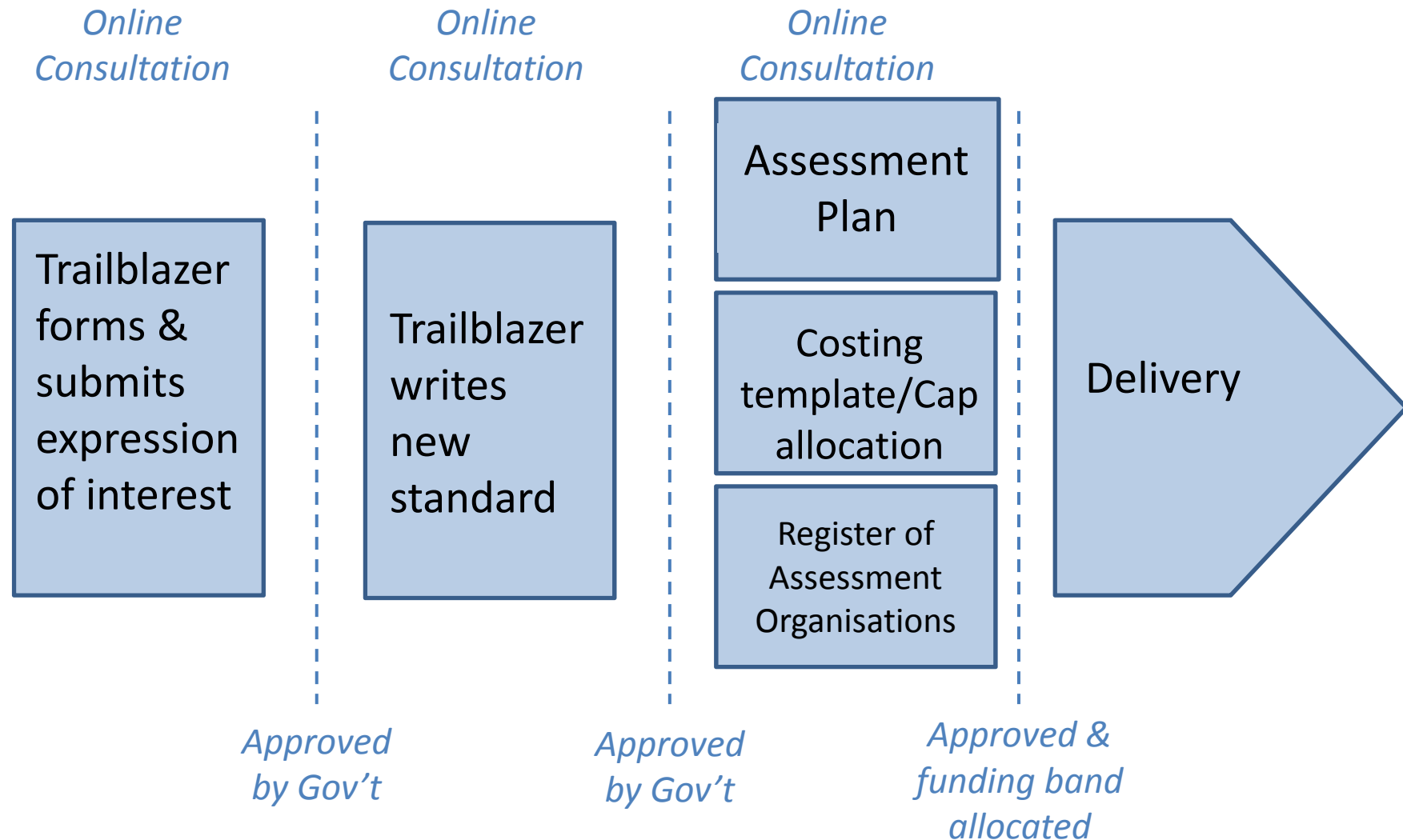
Standards developed/in development so far



- 400 starts in 2014/15 across nine standards, by 11 providers
- Increasing number of starts on standards going forward



HOW: Trailblazers design standards and assessments



Monthly submission dates to BIS, and regular publication on gov.uk



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AAN – calls to action (1)

- List of apprenticeship standards – are there any gaps?
<https://www.gov.uk/government/publications/apprenticeship-standards-list-of-occupations-available>
- Start with your own provision – are their standards here that fit your business needs and/or enable you to grow your apprenticeship programmes?
- If there are gaps – you can be a catalyst to engage like minded employers to develop new standards
- When you are promoting apprenticeships, make sure standards are the priority - employers are clear frameworks will be ‘switched off’
- The standards provide new ‘selling’ points on apprenticeships – employer designed, better fit for businesses, based on real job roles/occupations



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AAN – calls to action (2)

- Employers who currently deliver apprenticeships
 - should be reviewing the standards available and in development
 - should be talking to their provider partners about delivering standards
 - what changes will need to be made to current delivery? Providers need to cost their services
 - What could delivery look like for them? Consider if the employer can deliver any/more themselves, what services would they need from their providers, and how much will they cost?
- For new apprenticeships employers
 - when developing their provision, they start with standards, not frameworks.



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AAN – calls to action (3) – Impact of the Levy

- Consider the Levy when talking to businesses this applies to – from 2017 eligible employers will be paying into their ‘apprenticeship pot’, so they need to start thinking how they can best utilise that for their business

EXAMPLE 1

The levy will be set at 0.5% of an employer’s pay bill. It will only be paid on any pay bill in excess of

£3m

Employers will have an allowance of £15,000 to offset against their levy payment



Employer of 250 employees, each with a gross salary of £20,000

Paybill: $250 \times £20,000 = £5,000,000$

Levy sum: $0.5\% \times £5,000,000 = £25,000$

Allowance: $£25,000 - £15,000 = £10,000$

EXAMPLE 2

Employer of 100 employees, each with a gross salary of £20,000

Paybill: $100 \times £20,000 = £2,000,000$

Levy sum: $0.5\% \times £2,000,000 = £10,000$

Allowance: $£10,000 - £15,000 = £0$ annual levy payment.



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Challenges

- *Its new!* Like anything there is nervousness around it. Temptation to stick with what you know, but we need to sell the positives of the new standards to make them a success
- *Provider Readiness to deliver the standards* – this is a key piece of work needed to make the Reform success. We need employers support to galvanise the provider base and start having those conversations
- *Funding* – currently funding for frameworks and standards are not aligned, some argue that as there are no employer contributions for frameworks they are an easier ‘sell’ to employers. Actually the current trailblazer funding model often sees the employer recouping their 1/3 contribution, plus the benefits of a standard with a better fit for their business



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More Information

- Our main hub page on apprenticeship reforms updated with all of the latest information:

<https://www.gov.uk/government/collections/apprenticeship-changes>

- Published standards and those in development:

<https://www.gov.uk/government/collections/apprenticeship-standards>

<https://www.gov.uk/government/publications/apprenticeship-standards-in-development>

- Guidance for developers of standards:

<https://www.gov.uk/government/publications/future-of-apprenticeships-in-england-guidance-for-trailblazers>

- Easy reference listing of all standards:

<https://www.gov.uk/government/publications/apprentice-list-of-occupations-available>



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