



Department
for Education

Schools' guide to apprenticeship reforms

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Summary

In spring 2017, the way the government funds apprenticeships in England is changing. Some employers will be required to contribute to a new apprenticeship levy, and there will be changes to funding for apprenticeship training for all employers.

This guide provides information specific to schools on what apprenticeships are, how your school can use them, and how the apprenticeship levy and public sector target apply to schools. There are also links to further guidance and support.

Who is this publication for?

This guidance is for school leaders and governing bodies in all schools in England, and will be of use to local authorities and academy trusts too.

Key steps for schools to take having read this guide

Having read this guide, you should:

- Consider how you can use apprenticeships in your school. Whether your school will pay the levy or not, you can access co-investment to purchase apprenticeship training from an approved provider.
- Check whether your school needs to pay the levy.
- Check whether your school is in scope for the public sector target.
- If your school is part of a larger employer group (a local authority or multi-academy trust for example), contact them to agree how you will access funds available to spend on apprenticeships.
- Decide whether you wish to register as an apprenticeship training provider so that you can directly design and deliver the content of the training that your apprentices receive.

An introduction to apprenticeships

Around the world, apprenticeships have long been recognised as a crucial way to develop the skills valued by employers. The government is working with employers to increase the quality and quantity of apprenticeships in England even further. The reforms to apprenticeships currently underway are designed to focus on the skills, knowledge and behaviours that are required for the workforce of the future. They will give employers more control over the funding and how it is spent, and make sure that apprenticeships are as accessible as possible, to all people, from all backgrounds.

Apprenticeships are a great way for schools to improve the skills base of their employees. They are a tried and tested way to recruit new staff, and to re-train or upskill existing staff of all ages and levels of experience, in a wide variety of roles. You can use them to provide training that is tailored to the needs and requirements of your school, with learning taking place in the workplace as well as through formal training, to minimise disruption and maximise impact.

Understanding apprenticeships

Apprenticeships combine work with practical on-the-job training and study. An apprentice will be employed, working alongside experienced staff, to gain the skills, knowledge and behaviours needed to be fully competent in their chosen occupation.

Apprenticeships already available cover a number of roles within schools, as outlined in this guide, and cover a range of educational levels from Level 2 (equivalent to five GCSE passes at Grades A* to C) all the way up to degree level, with many now incorporating a Bachelor's or Master's degree.

Apprenticeships are not restricted to only young people and new recruits. Anyone can become an apprentice at any age and benefit from government funding to support their apprenticeship, whether they are already employed in your school or not, and whether they are full or part time, as long as:

- They are employed in a real job.
- They are working towards achieving an approved apprenticeship (you can search approved apprenticeships on the ['Find apprenticeship training' page of gov.uk](#)).
- Their apprenticeship lasts at least 12 months.
- They spend at least 20% of their time on off-the-job training (e.g. mentoring, coaching or completing formal training or qualifications).
- They are paid at least the relevant national minimum wage (though most will be paid more).

More information is available in our [guidance on apprenticeship funding](#). You can access information about employing apprentices on the ['Employing apprentices' page of gov.uk](#).

What the apprenticeship levy means for schools

This section is designed to help you identify whether your school will need to pay the apprenticeship levy, or whether this will be the responsibility of your local authority or academy trust as the employer of staff in your school.

Explaining the apprenticeship levy

From April 2017, the way the government funds apprenticeships in England is changing. Some employers will be required to contribute to a new apprenticeship levy, and there will be changes to the funding for apprenticeship training for all employers. The changes include the introduction of a new co-investment rate for non-levy paying employers whereby government will pay 90% of the cost of training and assessment, up to a cap. These reforms will enable government to fund the step change needed to increase the number, and improve the quality, of apprenticeships.

The apprenticeship levy applies to all employers operating in the UK and is charged at a rate of 0.5% of an employer's annual pay bill. For the purposes of the levy, the 'employer' is someone who is a secondary contributor with liability to pay Class 1 Secondary National Insurance contributions for their employees. All employers will have an annual levy allowance of £15,000. This is not a cash payment and can only be used to offset against their levy liability, but it means that only employers with an annual pay bill of over £3 million will pay the levy.

You should read the next section of this guide to see how this applies to your school because if the employer of the staff in your school is a local authority, a governing body which controls more than one school, or a multi-academy trust with an annual pay bill of more than £3 million, you may contribute to the levy through them. The annual levy allowance of £15,000 will apply to the overall employer.

Employers who pay the levy will be able to use the money to fund training and assessment only (not wider costs such as salaries) for apprentices through an account in the new apprenticeship service. Information on how to register for this is included in this guide. At the end of each month, employers will receive a 10% top-up to the levy contributions they have made that month. That means that if you are a levy-paying employer, for every £1 that enters your account to spend in England on apprenticeship training, you get £1.10.

When you have exhausted the funds in your account, you can access co-investment for eligible apprenticeship training and assessment, whereby government pays 90% of the training and assessment costs (more information on this can be found further on in this guide).

Schools who do not pay the levy can still take on apprentices, and access the co-investment. Further information is provided later in this guide and on the [‘Employing apprentices’](#) page of gov.uk.

Further information on what the levy is and how to pay it is available in our guide [‘Apprenticeship funding: how it will work’](#), along with contact details for the employer helpline should you have any further questions.

How the apprenticeship levy applies to schools

The way in which the levy applies to schools depends on the type of school and the overall employer.

For voluntary-aided and foundation schools, the governing body is the employer. If the governing body’s pay bill is more than £3 million then it will need to pay the levy.

For community and voluntary-controlled schools, the local authority is the employer, and so is responsible for payment of the apprenticeship levy for schools under their control. Each local authority with a pay bill of over £3 million will pay the levy.

The local authority will advise its schools on whether they need to take account of the apprenticeship levy in their annual budgets. Schools will want to consider how to make use of the local authority’s levy funds. Local authorities, as the legal employers of staff in community and voluntary-controlled schools, have responsibility for making the necessary arrangements to provide schools with access to the relevant funds. It is in the best interests of schools and councils that this process is set out clearly between a local authority and their schools so that levy funding is managed as effectively as possible. The Local Government Association, working with the Department for Education will be looking to see how this is best achieved, sharing practice and progress following implementation. Contact your local authority to find out about access arrangements.

For faith schools, the employer will be the local authority if the school is voluntary-controlled, otherwise it will be the governing body.

For free schools and schools in single academy trusts, the trust is generally the employer. If the trust’s pay bill is more than £3 million then it will need to pay the levy.

For multi-academy trusts, the MAT itself is generally the employer of the staff of all academies that are encompassed by it. If the trust’s pay bill is more than £3 million then it will need to pay the levy.

For co-operative schools, the degree of control the co-operative trust has over individual schools within it determines whether the individual schools have their own levy allowance. Where the trust may only appoint a minority of governors to the school’s governing body, the school will receive its own annual levy allowance of £15,000 and so will only pay the levy if the school’s annual pay bill is more than £3 million.

Where the co-operative trust has control over the individual schools within it and may appoint a majority of governors to the schools' governing bodies, the £15,000 levy allowance will be shared between the schools in the trust and so a trust school with a pay bill less than £3 million may have a levy liability depending on how the levy allowance is allocated by. Co-operative schools that have previously been part of a local authority's pooled PAYE scheme will need to consider whether they need to separate from this arrangement. This is likely to be required if the co-operative trust has control over the individual schools within it. Where this is the case, the schools within the cooperative trust will need to set up new separate PAYE schemes by 6th April 2017 or before the first payroll submission for 2017/18 at the latest. Guidance on pooled PAYE schemes is provided below.

If a school becomes a voluntary-aided school, foundation school, free school or academy part way through a tax year, the academy's governing body or trust will be responsible for the apprenticeship levy from this point. Further guidance on how the allowance will work in these circumstances can be found in the [HMRC Apprenticeship Levy Manual](#).

Some local authorities and multi-academy trusts may use a pooled PAYE scheme, which is where multiple employers use a single PAYE scheme to report PAYE information to HMRC. Where this is the case, schools should refer to the [guidance on pooled PAYE schemes](#).

Further information on which employers will pay the apprenticeship levy, how much they will pay and how to pay is available in the [guide to paying the apprenticeship levy](#).

Registering to use apprenticeship funding

Employers who pay the levy will be able to access funding for apprenticeships through the new apprenticeship service. Registration for the apprenticeship service is now open to all levy-paying employers, with information and guidance on the process to do so on the [‘Register to manage apprenticeship funds’](#) page of gov.uk.

Some levy-paying employers may want to spend more than the funds in their account. They can access co-investment to do so. We will provide government support to help employers meet these additional costs, up to the maximum amount of funding available for each apprenticeship. Our [guidance on apprenticeship funding bands](#) details the funding available. The government will pay 90% towards the extra cost of training and assessment with the employer paying the remaining 10%.

The funds available in apprenticeship service accounts, and funding provided by the government through co-investment, can only be used towards the costs of apprenticeship training and end-point assessment. This must be with an approved training provider and approved assessment organisation. See the [‘Employing an apprentice’](#) page of gov.uk.

Funds cannot be used on other costs associated with apprentices or wider training, for example wages, statutory licences to practice, travel and subsistence costs, managerial or brokerage costs, traineeships, work placement programmes or the costs of setting up an apprenticeship programme. See the [apprenticeship funding rules](#) for more details.

Apprenticeship service account funds will expire after 24 months. Whenever a payment is taken from the account, the service automatically uses the funds that entered the account first to minimise the amount of expired funds. The apprenticeship service account will let you know in advance when any funds are due to expire so that you can arrange to spend them if you wish.

Accessing apprenticeships if you don’t pay the levy

If your school is part of a larger employer group (a local authority or multi-academy trust), you will need to agree with your local authority or trust how you will access funds available to spend on apprenticeships. They have responsibility for making the necessary arrangements to provide schools with access to the relevant funds. It is in everyone’s best interest that this process is set out clearly, so that levy funding is managed as effectively as possible. Speak to your local authority or trust to find out about access.

If your school does not pay the levy, either on its own or as part of a larger employer group, you can still take on apprentices and access co-investment to purchase apprenticeship training from an approved provider. In this instance, the government will pay 90% of the cost of training and assessment, and the employer will be responsible for paying 10% of the costs. All the details on how to do this are available on the [‘Employing an apprentice’](#) page of gov.uk

Apprenticeship options for schools

You can search for apprenticeship training, find out about providers in your area, and learn more about how to employ an apprentice by using the simple [‘Find apprenticeship training’](#) on-line tool.

Schools employ staff in a wide range of roles that align with apprenticeships. Remember that apprenticeships are for existing employees as well as new recruits, so they are both a way of accessing new talent, and retraining or upskilling your current staff.

When considering how to use apprenticeships in your school, you might want to think about the following:

- Are other schools in my area already using apprenticeships, and if so what can I learn from them?
- What skills do our employees need now and in the future and can apprenticeships help with this?
- How do the roles in our school fit with the currently available apprenticeships?
- Do I want to use my funds immediately or wait until new school specific apprenticeships, such as the teaching apprenticeship or school business management apprenticeship, become available (more detail on these within this guide)?

A range of apprenticeships relevant to schools are either already available or currently under development, led by groups of schools. Those under development include:

A teaching apprenticeship which will replicate the same high standards for entry and completion as those already required of all Initial Teacher Training programmes. The group is aiming for schools to be able to employ teacher apprentices from September 2018¹.

School business manager apprenticeships intended to help create a new career structure within school business management. The group aims to have the apprenticeship standards in place from late 2017. In the interim, a number of business administration apprenticeships already exist under the older style apprenticeship frameworks.

¹ There are currently two types of apprenticeship – the older style apprenticeship frameworks, and the new apprenticeship standards, which we expect will replace all frameworks in England by 2020. Apprenticeship standards, and the assessment plans that accompany them, are being designed by employer groups. They set out the core knowledge, skills and behaviours apprentices will need to demonstrate to be fully competent in an occupation. More information is available on the [apprenticeship standards page](#) of gov.uk.

A teaching assistant apprenticeship which will reflect the best available evidence and practice around effective use of teaching assistants. The group's aim is to have the new apprenticeship in place by the end of 2017. In the interim, teaching assistant and school sports instructor apprenticeships already exist under the older style apprenticeship frameworks, which will be replaced by the new standards by 2020.

An early years apprenticeship standard is also under development. In the interim, apprenticeships for level 2 and level 3 early years staff already exist under the older style apprenticeship frameworks.

Apprenticeships are available in a number of other fields that may be relevant to your school. For example, business and administration, catering and hospitality, facilities management, digital professions, accounting and finance.

You can find out more about the range of apprenticeships available in the summary at Annex A, and on the ['Employing an apprentice'](#) page of gov.uk.

The public sector target and how it applies to schools

The government is committed to increasing the quality and quantity of apprenticeships in the public sector, both to improve capacity and capability, and to ensure that the public sector benefits from the same positive impacts as other employers.

All public sector employers, including schools, will need to consider how they can increase the number of apprentices in their workforce. Subject to parliamentary approval of regulations, public sector bodies in England with 250 or more employees will be set a target to employ an average of at least 2.3% of their headcount as new apprentices over the period 1 April 2017 to 31 March 2021. The target is for new 'apprenticeship starts', which includes both existing employees who start on an apprenticeship, and newly employed apprentices.

Schools in England with 250 or more employees will be in scope of the target, and will therefore need to have regard to it. They will be required to publish certain information annually on their progress towards meeting the target, and send information to the Department for Education. The Department for Education will set out employer guidance on what information needs to be published and shared, and the specific format in which it should be returned, soon. The first reports will be due by 30 September 2018.

Schools where the staff are employed by a larger employer group (a local authority, a governing body which controls more than one school, or a multi-academy trust) with more than 250 employees will come within scope of the target for their employer, and will want to consider how to contribute towards it.

Registering as a training provider

Your school may wish to register as a training provider to directly design and deliver the content of the off-the-job training that apprentices in your school will receive. There are three routes for employers to become training providers:

- As an employer-provider who delivers some, or all, of the off-the-job training element of an apprenticeship to their own staff.
- As a provider who delivers training to other employers' staff, as well as their own staff.
- As a sub-contractor to a main provider.

Guidance for employers who want to become apprenticeship training providers is available in our ['Apprenticeship employer-provider guide'](#). All organisations that want to deliver apprenticeship training in the future, including employers, will need to meet the requirements of the new [Register of Apprenticeship Training Providers](#).

Annex A – Apprenticeships relevant to schools

Schools employ staff in a wide range of functions, many of which may be suitable for using apprenticeships to support training and development.

There are currently two types of apprenticeship: the older style apprenticeship frameworks, and the new apprenticeship standards, which we expect will replace all frameworks in England by 2020. Apprenticeship standards, and the assessment plans that accompany them, are being designed by employer groups. They set out the core knowledge, skills and behaviours apprentices will need to demonstrate to be fully competent in an occupation. More information is available on the [apprenticeship standards page](#) of gov.uk.

The table below sets out the apprenticeship standards and frameworks that are either available or in development and most relevant to school staff. You can find out more about the range of apprenticeships available on the [‘Employing an apprentice’](#) page of gov.uk.

Occupation	Apprenticeship standard	Apprenticeship framework (all currently available for use)	Job role
Business and administration	School Business Director (standard in development)	Business and Professional Administration	School Business Director
	Chartered Manager (standard approved for delivery)	Leadership and Management	Finance Director School Business Manager Learning Manager Office Manager
	Business Administrator (standard approved; assessment plan in development)	Business Administration - administration	Administrator/Clerk Personal Assistant School Secretary
	Business Analyst (standard in development)	-	Data manager Data analyst
	Customer Service Practitioner (fully approved for delivery)	Customer Service	Receptionist
Catering and hospitality	Cleaning and Support Services Operative (standard in development)	-	Cleaner
	Senior Chef Production Cooking (fully approved for delivery)	-	Cook
Construction	Facilities Management Supervisor (standard approved)	Facilities services	Caretaker

	Head of Facilities Management (standard in development)	Facilities management	Premises manager
Digital	IT Support (standard in development)	IT, Software, Web and Telecoms professional	ICT Technician
	Digital and Technology solutions professional (fully approved for delivery)	IT, Software, Web and Telecoms professional	ICT Network Manager
Legal, Accounting and Finance	Assistant Accountant (fully approved for delivery)	Accounting	Finance officer
	Small Business Financial Administrator (standard in development)	Accounting	Finance officer
	Payroll Administrator (standard approved, assessment plan in development)	Accounting	Finance officer
Health and Science	Laboratory Technician (fully approved for delivery)	Laboratory and Science Technicians – education science	Science Technician
	Nurse (standard in development)	-	Nurse
Childcare and education	Assistant early years practitioner (standard in development)	-	Nursery officer/Assistant
	Senior early years practitioner (standard in development)	Early years educator	



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