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# Apprenticeship funding from May 2017 and the implications for the NHS in England

Correct as at 25 October 2016



## **Introduction**

The purpose of this document is to describe the significant changes to apprenticeships in England and how these changes relate to NHS Trusts as large public sector employers.

It is aimed at NHS Trust managers and leads with responsibility for training, education, HR, organisational development, recruitment, workforce and related areas. However, the apprenticeship changes will have a much wider impact across all NHS Trusts who will pay the levy and on their outlook to training, recruitment, workforce and budgets.

As this is a period of many changes, consultations and government publications, this document is written as a 'living document' current at time of writing. The first document was published on 6 March, the second document on the 25 April, the third document on 12 August and this updated version incorporating the guidance published by the Department for Education (DfE) on the 25 October 2016.

**This document replaces all previous versions. Trusts need to read this document in full along with the related documents provided as web links as there is a lot of new information.**

## **Background**

Apprenticeships are an increasingly important part of the long term plan for improved workforce development and enhanced productivity in England. The government's apprenticeship reform programme is aimed at ensuring apprenticeships in England become more rigorous and more responsive to the needs of employers, its origins lie in Doug Richard's November 2012 review.

The government accepted the review's key recommendations that:

- An apprenticeship is a job in a skilled occupation.
- An apprenticeship requires substantial and sustained training, lasting a minimum of 12 months\* for all and involving at least 20% off-the-job-training.
- An apprenticeship leads to full competency in a role, as stated in a short and easy to read 'standard' designed by employer groups.
- An apprenticeship develops transferable skills, including English and maths, to progress careers.
- It trains the apprentice to the level required to apply for professional recognition where this exists.

\* If the apprentice is undertaking a standard then End Point Assessment (EPA) can only be taken after the minimum duration has been completed. The Individual Learning Record (ILR) therefore must be recorded as 372 days for standards, page 26 clause 128:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/562444/Apprenticeship\\_funding\\_rules\\_May\\_2017\\_to\\_March\\_2018\\_Provider\\_Final.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/562444/Apprenticeship_funding_rules_May_2017_to_March_2018_Provider_Final.pdf)

The government is committed to achieving 3 million apprenticeship starts in England by 2020. English Apprenticeships: Our 2020 Vision:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/482754/BIS-15-604-english-apprenticeships-our-2020-vision.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/482754/BIS-15-604-english-apprenticeships-our-2020-vision.pdf)



Executive Summary:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/484209/BIS-15-651-english-apprenticeships-our-2020-vision-executive-summary.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/484209/BIS-15-651-english-apprenticeships-our-2020-vision-executive-summary.pdf)

## **Rationale for the Changes**

The government wants to make all apprenticeships world class. A programme that is rigorous, responsive and meets the changing needs of employers. They want the new norm to be two equally prestigious routes to a great career: university or an apprenticeship.

Apprenticeship reforms are intended to:

- Put Employers in the driving seat – groups of employers working together to design apprenticeships so they meet the needs of the industry.
- Simplify apprenticeships – replacing complex frameworks with short, simple standards, written by employers in a language they understand.
- Increase quality – introduction of more rigorous testing at the end of the apprenticeship to ensure the apprentice is fully competent and grading to provide the opportunity for the apprentice to stretch their capability.

## **Defining the Changes**


### **1. Enterprise Act 2016**

- Protects the term apprenticeship in law, putting apprenticeships on an equal legal footing with degrees and preventing misuse of the term.
- Gives government the power to set a target for public bodies including Ministerial Departments (with 250 or more workers in England).
- Places new duties on public bodies to report annually on progress to the Secretary of State.

### **2. Apprenticeship Levy**

- There will be a levy to help fund the increase in apprenticeship training.
- The levy is being introduced to fund a step change in apprenticeship numbers and quality.
- The levy will put apprenticeship funding on a sustainable footing and improve the technical and professional skills of the workforce.
- The levy will come into effect on 6 April 2017. The new funding system will come into effect on 1 May 2017. All apprenticeships commenced before 1 May 2017 will be funded through to completion according to the existing rules, including any employer contribution towards training continuing at the current rate.
- The levy will apply to all large public and private sector employers in the UK (20,000 employers are estimated as liable to pay the levy).


- As skills policy is a devolved matter Devolved Administrations will continue to have complete flexibility over how they support their business through training and apprenticeships. In England the levy will only support post 16 apprenticeships.
- Employers will pay 0.5% of each month's pay bill to HMRC via PAYE process alongside tax and NICs by the 19<sup>th</sup> (or 22<sup>nd</sup> if reported electronically) of the following month. All employers will have an allowance of £15,000 which means that the levy is payable on pay bills over £3million for each tax year. Example outlined on Page 12.
- Government will apply a 10% top-up to the funds monthly at the same time the employers own funds enter their digital account. This means that for every £1 an employer pays into their digital account to spend in England on apprenticeship training the employer gets £1.10. Example outlined on Page 12.
- The levy allowance will operate on a monthly basis and will accumulate throughout the year. This means employers will have an allowance of £1,250 each month. Any unused allowance will be carried from one month to the next. Example: levy liability in month 1 is £1,000 employers pay the levy and employers allowance in month 2 will be £1,500.
- The first submission in which a Trust will declare that they will pay the levy will be in May 2017 and the first payment that will leave their levy account to the training provider for apprenticeship starts in May will be June 2017.
- Trusts are to pay training providers from their digital account on a monthly basis spread over the lifetime of the apprenticeship, retaining 20% of the total cost. The 20% that is retained is to be paid to the training provider upon completion of the apprenticeship.
- Training Providers are to pay for the EPA (including any re-takes) from within the 80% payment from the employer. Training providers must keep evidence of payments made to the Apprentice Assessment Organisation (AAO) for conducting the EPA.
- A Trust's pay bill is based on the total amount of earnings subject to Class 1 secondary NICs (national insurance contributions). Although earnings below the secondary threshold are not counted when calculating an employer's NICs, they will be included for the purposes of calculating the amount of levy the employer needs to pay. Earnings include any remuneration or profit coming from employment such as wages, bonuses, commissions and pension contributions that NICs are paid on. The levy will not be charged on other payments such as benefits in kind, subject to Class 1A NICs.
- Unused funds will expire **24 months** after they enter a Trust's digital account unless the Trust spends them on apprenticeship training. This will also apply to the top-up to the Trust's digital account. Funds in a Trust's digital account are spent when it leaves the account as a payment to a training provider. Funds work on a first-in, first-out basis and will be done automatically. The Trust's digital account will notify employers when funds are due to expire so that they can arrange to spend it.
- In the first year of the levy Trusts can only use the funds in their digital account to pay for apprenticeship training and assessment of their own employees. During 2018 the SFA will introduce means for employers to transfer up to 10% of their levy funds to another employer's digital account



or to an ATA subject to EU State Aid regulations. A new employer steering group to design this system is being established to ensure it meets employer's needs.

### 3. Improving the Quality and Recognition of Apprenticeships (Standards)

- Trailblazers are groups of small and large employers who are leading the way in designing and implementing the new apprenticeship standards.
- More than 1400 small and large employers in over 100 sectors are collaborating to design new world class qualifications for apprentices called standards. Currently there are 146 standards approved for delivery. There is a rolling monthly deadline for submissions of standards.
- Each standard has three elements:
  - Core standard – the knowledge, skills and behaviours required for that job role
  - Options – elements of the job role which may be optional depending on the requirements of the business, skillset and interests of the apprentice, or future career path
  - End Point Assessment – the method of assessing whether the individual has achieved the required standard
- Indicative Funding Bands are now set at the start of developing a standard rather than a costing exercise being undertaken by the individual groups when developing the standard. Funding for the End Point Assessment comes from **within** the Funding Band.  
The Funding Band Table is on page 11 within the following document:  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/562401/Apprenticeship\\_funding\\_from\\_May\\_2017.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/562401/Apprenticeship_funding_from_May_2017.pdf)  
The Funding Bands each of the frameworks and standards are allocated to can be found via:  
<https://www.gov.uk/government/publications/apprenticeship-funding-from-may-2017>
- There will be a transitional **20% uplift** for providers training **16-18 year olds on an apprenticeship framework**. This also applies to 19-24 year olds formerly in care or who have an Education and Health Care Plan. This will be paid by the government. This is not paid out of a Trust's digital account.
- All standards must last for a minimum of 12 months, (plus EPA therefore minimum is 372 days on the ILR); have at least 20% of off-the-job training and have transferable skills between businesses ie not skills specific to one business.
- There will be a migration from apprenticeship frameworks to standards over the course of the Parliament, with as much of this to take place by 2017/18 as possible. There will be no framework starts from 2020. Frameworks will be removed for funding starts on an on-going basis.  
<https://www.gov.uk/government/publications/removal-of-apprenticeship-frameworks>
- From April 2017 the design and delivery of high quality apprenticeships will be overseen by a new independent quality body: The Institute for Apprenticeships (IfA). In September 2016 Peter Lauener was appointed as the Shadow Chief Executive (2 days a week) alongside his responsibilities as Chief Executive of the SFA and Education Funding Agency. A permanent Chief Executive will be appointed in 2017. Anthony Jenkins (ex- Barclays) was appointed shadow Chair and Nicola Bolton (ex-UKTI) was appointed shadow Chief Operating Officer in June 2016. The IfA supports the delivery of a world-class apprenticeship programme for England, giving employers control and decision-making



over content and quality of apprenticeship standards. The IfA is employer-led; the independent chair will lead the work of a small board made up primarily of employers, business leaders and their representatives, to ensure employers continue to drive apprenticeship quality to the highest level. Board members will be appointed through a public appointments process by the end of 2016.

- There are over 100 companies working with 39 universities and colleges to develop degree apprenticeships. Higher and Degree apprenticeships can include Further Education, Higher Education and Professional Qualifications. Employers higher and degree apprenticeship opportunities: <https://www.gov.uk/government/publications/early-recruitment-of-higher-and-degree-apprenticeship-vacancies-for-2017>

#### 4. Abolition of employer National Insurance Contributions for apprentices under age 25

- From April 2016 employers of apprentices under the age of 25 will no longer be required to pay secondary Class 1 (employer) National Insurance contributions (NICs) on earnings up to the Upper Earnings Limit (UEL) for those employees.

#### 5. Traineeships

- From August 2016 there is no longer a requirement for these to be solely delivered by those training providers who have been graded 'good' or 'outstanding'. Traineeships will be separately funded by the government and will not be paid for through an employer's levy account.
- Fact sheet for Employers re Traineeships: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/516440/NAS-P-100145\\_Traineeships\\_Fact\\_Sheet\\_Employer.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/516440/NAS-P-100145_Traineeships_Fact_Sheet_Employer.pdf)


### **What Do the Changes Mean to the NHS?**

#### 1. Enterprise Act 2016

<http://www.legislation.gov.uk/ukpga/2016/12/contents/enacted/data.htm>

The Enterprise Bill passed through parliament in May 2016 and is now the Enterprise Act. Part 4 of the Act outlines the Act's requirements in relation to Apprenticeships. Section 24 of Part 4 relates to Public Sector Apprenticeship Targets. The Public Sector Bodies Consultation on apprenticeship targets closed in March and the outcome was anticipated to be released in May 2016. This has still not been released but is now anticipated by the end of 2016.

There is a clause within the Act that provides flexibility on how to apply the target. The target therefore might be set on individual bodies, groups of bodies or parts of bodies, for example the NHS as one organisation or as individual NHS organisations. Where the group option is applied all bodies within the group, even organisations with fewer than 250 employees in England will be included in the duty to have annual apprenticeship starts of 2.3% of either it's headcount or full-time equivalent (FTE). The target is for the whole workforce ie clinical and non-clinical. Trusts need to account for apprenticeship qualifications that take longer than 12 months ensuring only count these once as a start despite spanning two accounting years.



Based on current headcount figures available and taking into account only those organisations with 250+ employees in England, a 2.3% target to the NHS as a whole would mean around 28,300 apprentice starts annually. If it's FTE then the figure would be around 24,900.

In the interim each local team of Health Education England has set targets with each Trust based on 2.3% of workforce headcount.

Proposed Rules of the Public Sector Target:

- Apprentices employed by a NHS organisation with fewer than 250 employees in England can only count toward the target if that organisation's headcount/FTE (TBC) has been used to set the target level.
- As the percentage is calculated either on the organisations own headcount/FTE (TBC) the organisation can NOT count within its own apprenticeship numbers those apprentices who work for organisations within its supply chain. This will be covered by the public procurement requirement and counted as part of that work.
- Apprentices employed by an Apprenticeship Training Agency (ATA) and paid and hosted by NHS employers can be counted as long as the individuals have been counted in the NHS organisation's headcount/FTE (TBC) to ensure the target is calculated properly.

A decision is still to be made regarding which year end is going to be the measurement date.

There will be further expectations of the NHS as part of the public sector to support the growth of apprentices. This includes embedding apprenticeship requirement in large public contracts and using NHS leverage with NHS supply chain to influence other organisations.

## 2. Apprenticeship Funding

### Apprenticeship Changes

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

- Apprenticeship Funding from May 2017

<https://www.gov.uk/government/publications/apprenticeship-funding-from-may-2017>

Within this link are the following documents:

- Apprenticeship Funding from May 2017
- Apprenticeship Framework Funding Bands from May 2017
- Apprenticeship Standards Funding Bands from May 2017
- The apprenticeship levy will be collected monthly by HMRC. Each Trust in England will be able to access their own digital levy account using the new Digital Apprenticeship Service (DAS). IT systems are being investigated that will enable links into an employer's HR system to reduce administration but this is not expected to be available until after May 2017.
- In the new funding system from May 2017 government want all employers to have a direct relationship with their training provider(s), giving them maximum control to ensure value for money and quality of provision. Any organisation that wishes to be paid levy funds in excess of £100k per year for delivery of apprenticeship training must be on the Register of Apprenticeship Training Providers (RoATP).

- **Draft Apprenticeship Funding Rules and Guidance for levy-paying employers have been published. Levy paying Trusts must adhere to these. It is essential that Trusts understand these requirements:**  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/562442/Apprenticeship\\_funding\\_rules\\_May\\_2017\\_to\\_March\\_2018\\_EMPLOYER\\_DOC.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/562442/Apprenticeship_funding_rules_May_2017_to_March_2018_EMPLOYER_DOC.pdf)
- The draft rules outline that Trusts **must ensure all** of the following documents are signed, dated and retained within the Trust:
  - **Statement of Commitment**  
 This sets out how the Trust, provider and apprentice will support the successful achievement of the apprenticeship. Trusts must remember to have this signed by the apprentices' parent or legal guardian if they are aged 15-17 when they start their apprenticeship  
**Further details are outlined on page 8, clauses 30-32 in the Draft Apprenticeship Funding Rules and Guidance for levy-paying employers-link above.**
  - **Contract for Services**  
 This is with the main training provider and must include as a minimum:
    - The planned content and schedule for apprenticeship training including end-point assessment if a standard (inc cost for EPA and any re-sits) including start and end dates, key milestones
    - What is expected and offered by the Trust, main provider and any sub-contractors and the apprentice to achieve the apprenticeship, roles and responsibilities of the Trust (inc apprentice attendance, wages, time off to study in the working day), how all three parties will work together including contact details.
    - Provider support and guidance and how to access this
    - Outline of any extra training not eligible for funding from the levy and fully funded by the Trust
    - List of all organisations delivering the training including English and maths and the RAAO (if a standard)
    - Process for resolving any queries or complaints regarding apprenticeship including quality which must include details of the escalation route within the main provider's organisation and the escalation process to the SFA through the apprenticeship helpline
  - **Written Agreement** with the training provider if using any delivery subcontractors.  
 Agreement must include details of funding they pay to any delivery subcontractors. Further details are outlined on page 18 clause 71 in the link in the third bullet point within this section.
  - **Apprenticeship Agreement**  
 Agreement between the Trust and the apprentice.  
<https://www.gov.uk/government/publications/apprenticeship-agreement-template>
- Trusts must ensure that funding for **each** apprentice is routed through a **single provider** who must deliver some of the training across the Trusts apprenticeship programme.



- Trusts must ensure that no payment is made to a training provider until an apprentice has been in learning for a minimum of 42 days.
- Trust must agree with their training provider a price to meet the costs of training and for standards, the end-point assessment for EACH apprenticeship within the relevant funding band, retaining 20% for completion payment.
- Trusts can give the training provider permission to enter the required details of the apprenticeship into their account but they must not delegate to the training provider confirmation of spending of funds from their digital account.
- Draft rules for apprenticeship funding for training providers:  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/562444/Apprenticeship\\_funding\\_rules\\_May\\_2017\\_to\\_March\\_2018\\_Provider\\_Final.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/562444/Apprenticeship_funding_rules_May_2017_to_March_2018_Provider_Final.pdf)
- A Trust in England can only use the funds in its digital account to pay for activity directly related to the apprenticeship. These funds can only be used to pay for apprenticeship training, education and assessment including end point assessment to attain an apprenticeship that is eligible for funding up to the limit in the funding band.


**This includes:**

- On-the-job and off-the-job training through an externally contracted provider or evidenced costs for employer-provider delivery
- Planned on programme assessment and the formal end-point assessment, including any costs associated with external quality assurance and the certification of the apprenticeship
- E-learning (as part of blended learning that includes practical workplace learning)
- Registration, materials, examination and certification, where delivered as part of the apprenticeship programme
- Any administration directly linked to the training, education and end-point assessment eg. The processing of the ILR
- Funding to re-take qualifications or non-accredited elements required for the apprenticeship, providing additional learning takes place
- Accommodation costs for learning delivered through residential modules where the residential learning is a requirement for all apprentices. Any costs for residential modules must represent value for money
- Participation in a skills competition that directly contributes to achieving the apprenticeship standard if agreed between the Trust and the provider

**Levy funds can NOT be used for:**


- Enrolment, induction, prior assessment, initial diagnostic testing or similar activity
- Accommodation costs where the apprentice is resident, away from their home base, because of the requirements of their day-to-day work or because this is convenient for the employer
- Travel costs for apprentices under any circumstances
- Apprentices' wages
- Personal protective clothing and safety equipment required by the apprentice to carry out their day-to-day work

- Capital purchase
  - Any training or optional modules in excess of those required, educational trips or trips to professional events not specified in the apprenticeship standard or needed to achieve the apprenticeship framework
  - Re-sits for qualifications or end-point assessment needed for the apprenticeship where no additional learning is required
  - Time spent by employees/managers supporting apprentices, mentoring or the time of other employed staff arranging training support except where this is directly linked to the training, education and end-point assessment for an employer-provider
  - Training assessment, exams or tests in any skills and knowledge solely and specifically required to acquire licences to practice or the certification of any licence to practice where these are a legal requirement that must be obtained by practitioners to confirm that the licence holder meets prescribed standards of competence for the NHS.
  - Specific services not related to the delivery and administration of the apprenticeship
  - Off-the-job training delivered only by distance learning, on-line and other blended learning activity can be included as part of the delivery of the apprenticeship
  - Repeating the same regulated qualification where the apprentice has previously achieved it unless it is a requirement of the apprenticeship or for any GCSE where the apprentice has not achieved Grade C or 4 or higher.
- Important to remember:
    - a) If the Trust negotiates a lower price to the funding band then the Trust would benefit from more funding remaining in their levy account enabling the Trust to train more apprentices.
    - b) If a Trust decides to pay more than the funding band that is allocated for each apprenticeship qualification then the Trust must use their own budgets to pay the difference.
    - c) Levy funds expire **24 months** after they enter a Trusts digital account.
    - d) As funding is not allocated from the levy account until it is paid Trusts will need to budget for their 'committed spend' potentially over different levy years depending on the start dates of apprentices and length of time to complete the qualification.
    - e) Trusts first levy funds will not be in their digital account until late May 2017.
    - f) First monthly digital levy payment to training provider for starts in May will be June 2017
    - g) Use the digital apprenticeship service to stop payments or pause payments if your apprentice stops their training; your apprentice takes a break from training; you haven't received the service you agreed with the training provider or assessment organisation.
  - Trusts must ensure that the training provider only proposes organisations to undertake EPA who are on the Register of Apprenticeship Assessment Organisations (RAAO):  
<https://www.gov.uk/government/publications/register-of-apprentice-assessment-organisations-overview>
  - Trusts who employ an apprentice who is between 16 and 18 years old at the start of their apprenticeship will receive a payment of £1,000 to help meet any additional costs of employing them. This would be paid to Trusts in two equal instalments at 3 months and 12 months. Initially this will be paid to Trusts through their selected training provider but over time this will be paid direct to Trusts from the government. Training providers will also be paid an additional £1,000 to support an apprentice who is aged between 16 and 18 years old. This will be paid to the training



provider directly from the government and is in addition to what the Trust pays from their digital levy account.

- If an apprentice within a Trust is aged between 19 and 24 years old and has an Education and Health and Care Plan provided by the local authority or a 19-24 years old who has been in the care of the local authority the Trust will be paid the same payment as they will receive for employing a 16-18 year old apprentice (£1,000). This will be paid in two equal instalments at 3 months and 12 months. It will initially be paid to Trust through their selected training provider but over time this will be paid direct to Trusts from the government (the same way as for apprentices who are aged 16-18). The government will also pay the training provider £1,000 for the same apprentice. This will not be deducted from a Trust's digital levy account.
- Training providers will receive an additional £600 for training against a framework an apprentice who lives in the top 10% of deprived areas (as per the Index of Multiple Deprivation), £300 for any apprentice who lives in the next 10% of deprived areas (the 11-20% range), and £200 for those in the next 7% (the 21-27% range). This will not be deducted from a Trust's digital levy account.
- Where apprentices don't already meet the minimum standard in both English and maths up to level 2 training providers will be paid directly from the government for the training to meet the minimum standards at a *flat rate of £471* for each qualification. This will not be deducted from a Trust's digital account.
- If apprentices within Trusts have additional learning needs such as dyslexia, other learning difficulties or disabilities the government will make a payment directly to the training provider to help them with the extra costs of supporting the apprentice's learning up to £150 each month. Where there is evidence of greater learning support needed then additional funding may be provided.
- There may be occasions where Trusts who pay the levy contribute additional funds to the cost of their apprenticeship training:
  - i) where the training they wish to buy is more than the funding band for a particular standard or framework and
  - ii) where a Trust wants to do additional apprenticeship training and has spent all their levy account including their 10% top-up. At this point co-investment is available (ie government and the Trust).
- The SFA will continue to be responsible for ensuring the list of training providers are all quality assured and Ofsted will continue to inspect the training providers. The SFA will put in place intervention strategies with training providers where appropriate.
- Public sector bodies will need to comply with Public Contracts Regulation 2015 when selecting a training provider and an assessment organisation from the approved registers. The policy is outlined in the link below:  
<https://www.gov.uk/guidance/public-sector-procurement-policy>
- Apprentices who have formally commenced their apprenticeship programme before **May 2017** will be funded for the full duration of their apprenticeship under the terms and conditions that were in



place at the time their apprenticeship started. Where the apprenticeship requires the Trust to make a payment to the provider or to the SFA this will continue at the same rate. Trusts that pay the levy will NOT be able to use the funds in their digital account to pay for these apprenticeships.

Example of Trusts Levy account:

Trust Annual Pay Bill for 2017/18: £260million

Levy Payment Paid on: £257million

Levy Payment and Trusts Levy account is: £1.285million

Plus government top-up of 10% adds additional: £128.5k

Total annual levy account: £1,413,500.

If utilising an apprenticeship standard under funding band 4 at the example rate of £3k over 12 months for the training this would equate to 471 apprenticeship starts annually.

Therefore, it is essential that Trusts develop apprenticeship programmes across their whole workforce skill requirements to maximise their return on their levy payment.

Example:

Healthcare Assistant Practitioner level 5 Standard (code 102) is Funding Band 10, £12,000;

Healthcare Science Assistant level 2 Standard is Funding Band 7, £5k.

- Trust's levy funds can be used for equivalent and lower level apprenticeship qualifications regardless of the apprentice's current qualification level if the apprenticeship they are undertaking would allow them to acquire substantive new skills and the content of the training is materially different from any prior training or a previous apprenticeship.

### 3. Digital Apprenticeship Service (DAS)

- DAS will have information that Trusts will access to identify which training providers deliver each framework or standard. DAS will also have information on who the assessment organisations are. This will enable Trusts to self-select. DAS will enable each NHS Trusts to pay their selected training provider and post apprenticeship vacancies to find a candidate.
- Trusts will be able to access their levy account through the DAS. On-line tools will be available via DAS over the next year. Trusts will be able to register to create their account from **January 2017**. Trusts will need to link training providers that they intend to select to deliver training and assessment to their DAS account.
- Estimate my apprenticeship funding (revised calculator):  
<https://estimate-my-apprenticeship-funding.sfa.bis.gov.uk/>
- Find apprenticeship training tool:  
<https://www.gov.uk/apply-apprenticeship>
- The SFA will have a digital contract with Trust for their levy account through DAS.

#### 4. Register of Apprenticeship Training Providers (RoATP)

- If Trusts are considering applying onto the RoATP this is currently open until **5pm on Friday 25 November**. The outcome of applications onto the RoATP will be notified by end March 2017. The RoATP will open four times a year for new applications and will be re-opened as soon as the results from the first round are available. Each provider will be required to re-apply every 12 months if they want to maintain their registration. This will be a re-refresh of information and will only require updates where things have changed not to complete a new application.
- The SFA are running a procurement exercise for delivery of apprenticeship training to employers that will not use a digital account to pay for apprenticeship training. Organisations interested in applying for this must apply to the RoATP main application route and complete the invitation to tender (ITT). Both must be completed and submitted by 5pm on 25 November 2016.
- There are three application routes for the RoATP and organisations can only apply for one:
  - a) Main Application Route  
This route is for Trusts that:
    - want to directly deliver any value of apprenticeship training
    - want to be eligible for selection through DAS
    - are a levied employer and want to train staff in their own supply chain or apprentices in other organisations
    - have the capacity and capability to deliver most of the frameworks and standards that they offer
    - want to participate in the SFA procurement for delivery of apprenticeship training to employers that will not have a digital account to pay for apprenticeship training

Trusts successful under this route are eligible for selection by other Trusts who pay the levy to deliver apprenticeship training or for selection by another main provider to work as a subcontractor.

The ability to maintain subcontractors for at least a transitional period has been agreed by government. This will be under review.

##### b) Supporting Application Route

This route is for Trusts that:

- want to deliver as a subcontractor only
- are new to the apprenticeship market
- do not have the capacity to be a main provider

Trusts that apply to this route cannot:

- deliver more than £500,000 of training per year
- deliver apprenticeship training directly to employers
- If you plan to deliver less than £100k as a subcontractor then you are not required to apply

##### c) Employer-Provider

This route is for levy paying Trusts that:

- want to provide training to their own staff

- want to act as a subcontractor to their appointed main provider, delivering training to their own staff

Organisations that apply to this route cannot:

- deliver apprenticeship training to other organisations, including their supply chain
- If a Trust plans to deliver less than £100k as a subcontractor then you are not required to apply

All applications routes need to pass quality and financial tests (NHS Trusts are exempt from the financial tests).

The following documents will be of interest to Trusts interested in applying onto the RoATP:

- Apprenticeships: become a training provider (Employer-Provider Guide)  
<https://www.gov.uk/government/publications/apprenticeships-become-a-training-provider>
- Apprenticeship Funding: draft rules for employer-providers  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/562443/Apprenticeship\\_funding\\_rules\\_May\\_2017\\_to\\_March\\_2018\\_EMPLOYER\\_PROVIDERS.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/562443/Apprenticeship_funding_rules_May_2017_to_March_2018_EMPLOYER_PROVIDERS.pdf)
- Register of Apprenticeship Training Providers:  
<https://www.gov.uk/government/collections/register-of-apprenticeship-training-providers>  
Within this link is:
  - Register of apprenticeship training providers: policy information:  
<https://www.gov.uk/government/publications/register-of-apprenticeship-training-providers-policy-information>  
This document is: Supporting quality and employer choice through a new Register of Apprenticeship Training Providers  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/562465/Provider\\_register\\_policy\\_doc.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/562465/Provider_register_policy_doc.pdf)
- Register of apprenticeship training providers: application instructions  
<https://www.gov.uk/government/publications/register-of-apprenticeship-training-providers-application-instructions>
  - Within this link is:
    - Joining the register of apprenticeship training providers – application instructions:  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/562669/Joining\\_the\\_Register\\_of\\_Apprenticeship\\_Training\\_Providers.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/562669/Joining_the_Register_of_Apprenticeship_Training_Providers.pdf)
    - Financial Health Self-assessment toolkit
- Register of apprenticeship training providers: 3-tendering portal guidance
  - <https://www.gov.uk/government/publications/register-of-apprenticeship-training-providers-e-tendering-portal-guidance>
  - Document link:  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/562651/RoATP\\_E-tendering\\_portal\\_guidance\\_October\\_2016.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/562651/RoATP_E-tendering_portal_guidance_October_2016.pdf)



## Further Government Updates:

### **In December DfE will publish:**

- Further employer guidance from HMRC on how to calculate and pay the apprenticeship levy.

Funding Rules for May 2017 are currently published in draft. Final date for Funding Rules will be confirmed by the SFA.

### **Options for Trusts to utilise the levy**

NHS organisations need to consider their workforce plans and how they can utilise their levy payment to meet the needs of their organisation.

Options you might want to consider include:

- **Maximising numbers through planned external recruitment**  
This could involve considering every externally recruited role in bands 1-4 into an existing vacancy to be an apprenticeship and implementing a process that means the Recruiting Manager has to provide a business case if the role isn't an apprenticeship.
- **Converting existing roles to apprenticeships**  
Targeting apprenticeships at key capability gaps within the existing workforce. This would raise existing capability. eg offering level 5 standard in Assistant Practitioner; level 2 standard in Healthcare Science
- **Rethinking training delivery plans**  
Offer an apprenticeship framework which includes the (QCF) competence certificate or diploma rather than the stand-alone (QCF) qualification. Develop new standards including higher and degree apprenticeship standards where there are gaps in qualifications for job roles.
- **Maximising numbers through Whole Workforce Apprenticeship Plans**  
Extend the roles that undertake apprenticeship qualifications from the traditional bands 1-4 roles and identify where in the Trust would benefit from implementing higher and degree apprenticeships. For example, there are apprenticeship standards available at levels 3, 5 and 6 in Management that could be implemented to upskill managers and team leaders.


## **5. Apprenticeship Standards**

- Trusts need to identify if there are any gaps in apprenticeship standards that are needed to ensure they have a qualified workforce (see information within this document under standards regarding the latest list of those that have been developed or are in development). If gaps are identified a Trust needs to consider developing the required standard. The process to do this is outlined in the following document:  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/487350/BIS-15-632-apprenticeships-guidance-for-trailblazers-december-2015.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/487350/BIS-15-632-apprenticeships-guidance-for-trailblazers-december-2015.pdf)

Information outlining the Approval Process for Apprenticeship Standards was published August 2016, last Updated October 2016:

<https://www.gov.uk/government/publications/apprenticeship-standards-changes-to-the-process-for-approvals/guidance-for-trailblazer-groups-new-apprenticeship-standards-approvals-process>



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- The following is the link to the list of training providers that the SFA have issued a notice of concern that employers can cross reference when selecting a training provider:  
<https://www.gov.uk/government/publications/sfa-current-notices-of-concern>

All standards are approved by DfE and require both the details of the Standard and an associated Assessment Plan that outlines what the measures will be to confirm competency within the job role.

Apprenticeship Standards and Assessment plans that are health related are:

- Healthcare assistant practitioner (level 5) - [Apprenticeship Standard](#) and [Assessment Plan](#)
- Senior healthcare support worker (level 3) with 4 option routes in - adult nursing support, maternity support, mental health support and theatre support - [Apprenticeship Standard](#) and the Assessment Plan approved are approved. Additional options in Children and Young People's and for Allied Health Professionals are being proposed.
- Children and young people (level 3) (in development)
- Healthcare support worker (level 2) - [Apprenticeship Standard](#) and [Assessment Plan](#)
- Dental Laboratory Assistant (level 3)
- Dental Nurse (level 3)
- Healthcare Science Assistant (level 4)
- Associate Ambulance Practitioner (level 4)

Provider Readiness Reports have been developed to assist training providers and employers in implementing the following standards now they have had their Assessment Plans approved:  
[Healthcare Support Worker](#) and [Assistant Practitioner](#)

Other health related standards that are being developed:

- Nursing
- Pharmacy Service Assistant
- Senior Pharmacy Services Assistant
- Dental Hygiene Therapist
- Healthcare Science Practitioner
- Ophthalmic Technician
- Senior Pharmacy Assistant
- Rehabilitation Worker

Expressions of interest for: Health Promotion Assistant Apprenticeship (level 2-(previously Health Promotions assistant) Survey open until lunchtime 16 November [click here](#) to take part.

Up to date information on the progress of the developments on any of these standards for health occupations and on identifying potential Trailblazers are available from Skills for Health at:  
<http://www.skillsforhealth.org.uk/standards/item/324-healthcare-support-worker-trailblazer>

### **Delivery of Apprenticeship Standards**

It is important that NHS organisations realise that once a standard is ready for delivery the training content, or as often referred to as the 'inputs', need to be developed to ensure the requirements of the job role within the Trust are covered. The content needs to be developed with the Trust's preferred training provider. Each standard will be reviewed after 3 years.





## **End Point Assessment (EPA)**

Unlike current apprenticeship frameworks there will be an emphasis on ‘a rigorous’ EPA. This will vary according to what employer-led groups developing the standards have agreed. But in health standards the approved Assessment Plans include:

- A multiple choice/short answer test
- Observation of practice undertaken in the workplace
- A portfolio of evidence/reflective journal completed by the apprentice (not assessed already) and an interview
- All candidates will have to have an end point assessment and not just a sample.

Employers must contract with a separate *external* provider who is registered on the Register of Apprenticeship Assessment Organisations (RAAO) to undertake the EPA the requirements of which are written within the Assessment Plan. This could be an Awarding Organisation for health related standards. The current Register of Apprentices Assessment Organisations can be accessed via:

<https://www.gov.uk/government/publications/register-of-apprentice-assessment-organisations>

## **Other Standards**

There are other standards being developed, some of which are ready for delivery that will be of interest for the NHS workforce. These include Finance; HR; Facilities Management; Customer Support; Management; Security.

Link to Published Standards:

<https://www.gov.uk/government/publications/apprenticeship-standards-ready-for-delivery>

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

Link to Standards In Development:

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

Information and developments are regularly updated within these links.

Where Trusts aren’t part of the development group for a standard they can influence the content via participating in the on-line consultation that is published when a standard is proposing to progress to the next stage of development.

## **Education and Training Foundation (ETF)**

The ETF receives funding from BIS, DfE and MoJ (Ministry of Justice) in addition to generating commercial income. They were established in October 2016 and have commissioned a series of programmes to support training providers (including employer-providers) in their preparations to deliver the new standards, RAAO, improve teaching and learning within apprenticeships, engage with employers: Future Apprenticeships Support Programme.

<http://www.et-foundation.co.uk/supporting/support-practitioners/future-apprenticeships/>



## **Conclusion & Considerations**

It is essential that your Chief Executive and Financial Director are aware of the implications of apprenticeship reform, in particular the levy and what plans your Trust needs to do to develop Whole Workforce Plans that incorporate apprenticeships (ie not just bands 1-4).

Many Trusts have developed Business Plans that have included expanding the apprenticeship expertise within their learning and development department. Does your Trust have the knowledge and capacity to take these reforms forward and maximise the levy?

Trusts must ensure they read and understand the requirements outlined within the Draft Apprenticeship Funding Rules and Guidance for levy-paying employers that have been published. Levy paying Trusts must adhere to these.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/562442/Apprenticeship\\_funding\\_rules\\_May\\_2017\\_to\\_March\\_2018\\_EMPLOYER\\_DOC.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/562442/Apprenticeship_funding_rules_May_2017_to_March_2018_EMPLOYER_DOC.pdf)

### **Suggested Actions:**

1. Consider if applying to become an Employer-Provider fits within your business plan for growing apprenticeships within your Trust. If it does then consider which application route and complete and submit the application to the RoATP by 5pm, 25 November 2016.
2. Ensure each Clinical Support Unit in your organisation understands the implications of the levy to their budgets for 2017/18 including the reduction of HEE funding.
3. Develop apprenticeship growth action plan in line with workforce needs and taking into consideration the Trusts' levy payment and the funding bands.
4. Review current training across the Trust and identify if there are any links to apprenticeship standards.
5. Ensure your Trust has a team of apprenticeship experts that are able to develop and implement the growth required.
6. Establish internal systems within your Trust to manage your levy account.
7. Select training provider provision ensuring adhering to Public Contracts Regulation 2015.
8. Identify any apprenticeship qualification gaps and take action to resolve this.
9. Register for email alerts from the government regarding apprenticeship updates:  
[https://public.govdelivery.com/accounts/UKGOVUK/subscriber/new?topic\\_id=UKGOVUK\\_1](https://public.govdelivery.com/accounts/UKGOVUK/subscriber/new?topic_id=UKGOVUK_1)

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