

# Wigan Borough Employer's Guide to Apprenticeships

This is a brief guide to apprenticeships, produced for local employers considering apprenticeships as an approach to recruitment or for up-skilling an existing workforce.

There are several things to consider when considering apprentice recruitment:

## Benefits

There are a number of benefits that apprentices can bring to your organisation, such as:

- Raise staff morale
- Reduce staff turnover
- Increase your diversity
- Upskill existing staff
- Improve your productivity
- Attract the best candidates
- Create a talent pipeline across your organisation
- Improve your company image
- Match the skills of employees to the skills you need
- Help to meet social value targets.

The latest employer survey confirmed that:

- 86% of employers said apprenticeships helped them develop skills relevant to their organisation
- 78% of employers said apprenticeships helped them improve productivity
- 74% of employers said apprenticeships helped them improve the quality of their product or service.

As well as being a cost-effective option to the organisation, the apprenticeship will enable the apprentice to access high quality training and work towards a formal qualification at the same time as undertaking their job role. As the apprentice becomes more skilled and competent, they will generally add more value to the organisation.

With many employers continuing to face recruitment challenges, apprenticeships offer an alternative approach to effectively growing a workforce. This 'grow your own' model becomes more attractive as more traditional recruitment practices fail to yield the desired results.

## Levels

Apprenticeships range from Level 2 (intermediate) through to Level 7. The equivalencies are as follows:

- Level 2 (intermediate) – equivalent to GCSE
- Level 3 (Advanced) – equivalent to A-Level
- Level 4 (Higher) – equivalent to A-Level
- Level 5 (Higher) – equivalent to HND, Foundation degree
- Level 6 (Higher) – equivalent to Bachelor's degree
- Level 7 (Higher) – equivalent to Master's degree

Employers may wish to progress an apprentice from one level to the next following successful completion (subject to availability). The apprenticeship may also incorporate 'Functional Skills' English and maths (and in some cases Digital) where these are not already held by the apprentice. A lack of qualifications at a reasonable level in English and maths may be a barrier to some who are looking to secure an apprenticeship, as training providers often have minimum requirements that must be adhered to in order to start the apprenticeship. In this scenario, the person would need to consider ways in which they could improve their grade(s) such as enrolling onto an adult learning course or completing a pre-apprenticeship programme.

## Costs

The costs incurred from employing an apprentice can vary depending on several factors including the age of the apprentice and the size of the organisation. In simple terms, the costs can be categorised into:

### Wages / Salary

The rate of pay for the apprentice. Employers have a decision to make regarding the amount they are going to pay their apprentice. Some employers choose to pay their apprentice the 'Apprentice Minimum Wage' which currently stands at £6.40 per hour (April 2024). Legally, an employer can pay an apprentice this rate (or anything above) whilst they are under the age of 19 and not undertaken an apprenticeship before.

An employer can also pay an apprentice this rate if they are over the age of 19 but not undertaken an apprenticeship before, but only for the first 12 months. After 12 months, the employer must then pay the [National Minimum Wage for age](#). There are no National Insurance contributions required for an apprentice under the age of 25. Further details and scenarios can be found by clicking the link above.

National Minimum Wage for Age is currently:

Year	21 and over	18 to 20	Under 18	Apprenticeship Minimum Wage
April-24	£11.44	£8.60	£6.40	£6.40

Anecdotal evidence both locally and nationally indicates that employers are struggling to recruit apprentices at the Apprenticeship Minimum Wage and are therefore having to increase wage rates to attract new talent to the business.

### **Training costs**

Whether the employer will need to contribute towards the cost of the apprenticeship training. Apprenticeships are placed into different 'funding bands' by the Government, with these ranging from £1,500 through to £27,000. The bandings represent the maximum amount that a training provider can charge for the delivery of a particular apprenticeship, but this can be negotiated by the employer. This figure also incorporates the cost of the EPA (End Point Assessment), which is an independent test that the apprentice must sit at the end of the programme to establish if they are competent in the job role.

In some cases, the apprenticeship training will be fully funded by the Government, meaning that the employer does not need to contribute anything towards the training. This is the case where the employer has under 50 employees and recruits an apprentice aged 16-21 years old (when they start the apprenticeship). This age range is extended to 24 years old for those with special educational needs or a disability (SEND) or has been in the care of their local authority.

For larger employers with over 50 staff, or where an apprentice is recruited aged 22 or above, there will be a 5% contribution required from the employer. So, for example, if an SME recruits a 20-year-old administration apprentice and the banding is £5,000, the employer would be expected to contribute £250 towards the training. The employer does not have to pay this contribution up-front and may negotiate a payment schedule with the training provider, paying this over an agreed period of time such as the first 12 months.

The employer may also wish to consider a request for levy funds from a larger organisation (including Wigan Council) who may be willing to pay the full £5,000 in this example, so that the employer does not need to pay the 5% – see section on GM Levy Matchmaking Service below.

## **Grants / Incentives**

### **FAB Grants**

Wigan Council's Future Apprentices for Business (FAB) grants programme was launched in February 2023 to support businesses to create new apprenticeships.

We have two levels of grant available, paid over the duration of the programme.

Basic grant £3,000 - You can recruit any young person to your role.

Enhanced grant £5,000 - You will select your new apprentice from a talent pool of individuals identified by our employment and skills programmes. These will be apprenticeship ready young people from our priority groups including care leavers, Children Looked After, those with special educational needs and disabilities and young people currently not in education, employment or training.

To find out more click the link below –

## [FAB Grants](#)

### **Government Incentive**

This is a £1,000 grant from government that is available to employers who recruit an apprentice who is either:

- Aged 16 to 18 years old, or
- Aged 19 to 25 years old and has an education, health and care (EHC) plan or has been in the care of their local authority.

There is no requirement to pay the National Minimum Wage to access these grants, employers can pay the Apprentice Minimum Wage of £6.40 or anything above this – in line with minimum wage requirements for an apprentice as detailed above.

The funding will be paid to the employer at 90 days and 365 days by the training provider. Further details can be found on the gov.uk website [here](#).

For companies operating in the construction industry, you may be able to access grants from the [Construction Industry Trade Body \(CITB\)](#) in addition to the employer incentive grant. Unfortunately, plumbing and electrician apprenticeships are not eligible under the CITB programme.

## Training Courses

The number of apprenticeships is growing month by month, and more specialist apprenticeship 'standards' are being developed by groups of employers all the time. These standards have replaced the older apprenticeship 'frameworks' which were phased out in 2020. You can see the latest standards and those in development on the [Institute for Apprenticeships \(IfA\) website](#). This is a great resource and provides a range of information on approved apprenticeship standards, including:

- An overview / appropriate job types
- Cost / banding for the training
- Typical duration
- Training providers who deliver the apprenticeship
- The Occupational Standard and what it entails
- The Assessment Plan – how the apprenticeship is assessed.

Please note that the apprenticeship type and job role need to match up.

## Duration

An employer must legally employ an apprentice for at least the duration of the apprenticeship and not less than this. In most cases the apprenticeship is full-time (30 hours or more per week), but this can be reduced to as little as 16 hours per week in certain circumstances. The 'typical duration' of an apprenticeship is based on this being full-time, so a reduction in weekly hours will require the apprenticeship duration to be extended.

It is also worth noting that most apprenticeship standards now stipulate a typical duration, but this does not incorporate the End Point Assessment (EPA). Employers may wish to consider issuing

contracts to apprentices that offer additional time for the passing of the EPA. For example, an apprenticeship with a typical duration of 18 months may justify a 20 month employment contract to allow for this.

Where an apprentice has existing qualifications in the same subject area as the apprenticeship type they have enrolled onto, the training provider would be required to take this prior learning into account and reduce the cost and duration of the apprenticeship accordingly. Please note that the apprenticeship cannot be reduced to under 12 months.

## Finding a Training Provider

An employer will need to identify and choose an appropriate apprenticeship type, then decide which training provider they wish to use to deliver the provision. [Wigan Council's Economy and Skills Team](#) can assist with this process.

Employers may wish to search for suitable apprenticeships and training provision using the ['Find Apprenticeship Training' facility](#). It is worth paying attention to the Achievement Rate shown next to the provider of an apprenticeship. This is the percentage of learners who achieve (pass) that apprenticeship course / subject with that training provider – so the higher the percentage the better. There are also other key indicators to take into consideration including both employer and learner satisfaction levels.

There are a few other key aspects to consider when considering apprenticeship training:

## 20% off-the-job Training

It is a legal requirement that an apprentice undertakes a minimum of 20% off the job training. This means that for at least 20% of their working hours (the time they are contracted per week), the apprentice must be working on their apprenticeship – 6 hours per week for an apprentice working 30 hours. This could include working on assignments; watching webinars; online training; work shadowing and much more. The approach to this 20% should be discussed and agreed with the training provider prior to the apprenticeship commencing. You can find out more about what can be included in off-the-job training [here](#).

As an employer, you will be expected to adhere to this requirement and the apprentice should evidence and record all details – [see further information](#).

## Delivery Model

How and where the training takes place. In some cases, such as construction trades, there has long been a tradition for apprentices to attend their training provider on a 'day-release' basis (once a week). For a full-time apprentice, this would make up the 20% off-the-job training requirement referenced above. There are, however, other delivery models utilised, and these can depend on the type of apprenticeships and training provider approach. Specifically:

- At your workplace – where the training provider visits your apprentice in the workplace (possibly every month). This is a more standard approach for apprenticeships like administration, customer service, hospitality, retail and health

and social care. The employer would be expected to allow the apprentice time in work to meet the 20% requirement, although there may be times that are more suitable for this.

- Block release – where the apprentice would attend the training provider in a block at set times during the apprenticeship, for example a week every 3 months.
- Day release – as detailed above.

Please note that the apprentice must be paid for all the times they are training, whichever delivery model is used. The [Find Apprenticeship Training](#) Tool will indicate the delivery model used by a particular provider, although in some cases this can be flexible to accommodate employer needs.

It is also worth considering the feasibility of how your apprentice can get to any day or block release. Although we would not discourage using training providers from outside the borough, careful thought needs to be given to this. Local training will be more accessible, especially for apprentices who are reliant on public transport.

## Existing workforce

Apprenticeships are not just for young people starting off in a new career, they can be accessed by anyone of working age, including your existing workforce. If you have employees who would benefit from up-skilling (whether this is at a lower level or higher such as a degree), an apprenticeship could be a great way of achieving this.

Training providers can deliver apprenticeship training in the same way to existing employees as they would to a new recruit. For an SME, only paying 5% of the total cost (for those over 21) often represents good value for money compared to other alternatives. That said, the 20% off-the-job training requirement would still need to be adhered to, which may present a potential challenge.

## Apprenticeship Service Account

From April 2021, the government made it a mandatory requirement for all employers to have an Apprenticeship Service (AS) account in place in order to start an apprentice – whether this a recruitment of a new apprentice or the up-skilling of an existing member of staff through an apprenticeship.

You can access guidance on this process and set up your AS account on gov.uk [here](#). The account allows employers to complete various tasks including:

- Access and managing apprenticeship funding
- Receive a levy transfer
- Advertise vacancies
- Find a suitable apprenticeship standard
- Choose a training provider to deliver the apprenticeship(s)
- Select an End Point Assessment (EPA) organisation
- Give feedback on provision.

In most cases, your chosen training provider will be able to help with setting up an AS account, should this be needed. There is also scope to give a training provider certain access / permissions to your AS account so that they can carry out tasks on your behalf.

## GM Levy Matchmaking Service

Greater Manchester was the first sub-region in the country to launch a collaborative approach to transferring unused apprenticeship levy funds. The [Levy Matchmaking Service](#) is a web portal that has been commissioned by Greater Manchester Combined Authority (GMCA) to facilitate funding transfers and create more apprenticeships in GM. It aims to ensure that as many levy payers (public and private sector) as possible transfer unspent funds to non-levy payers negating the need for them to pay the 5% co-investment costs.

In simple terms, if you are a smaller employer based in Wigan borough who is keen to either recruit an apprentice aged 19+ or up-skill an existing member of staff who is aged 19+, you could request unused funds from a levy payer (generally a larger employer) who is keen to consider transferring their funds to others. Depending on the apprenticeship banding (cost) this could save the employer anything up to £1,350 – the 5% that they would need to contribute towards the training otherwise.

You can [find further details on our website](#).

The option to request levy funding from a donor is now also possible through an employer's Apprenticeship Service (AS) account in addition to via the GM Levy Matchmaking Service. Further details can be found [here](#).

## Support

Wigan Council's Skills & Enterprise Team is on hand to provide support to local organisations considering apprenticeship recruitment or even workforce development / up-skilling through an apprenticeship. This support is free and comprehensive and includes everything referenced in this guide. You can access this support by emailing [business@wigan.gov.uk](mailto:business@wigan.gov.uk) or by phoning 01942 489177.

In addition, we deliver a variety of programmes for our care experienced young people each year and are always keen to hear from local employers who may be willing to offer meaningful work experience or even apprenticeships. Please do get in touch if this is of interest.

We hope that this guide has been useful but if you have any further questions, please do not hesitate to get in touch.

**See further guidance here:**

[How to Create a High Quality Apprenticeship](#)

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